

MERCHANTS AND THE EVOLUTION OF THE NORTH CARIBOO,  
BRITISH COLUMBIA, 1908-1933



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# ABSTRACT

This thesis examines the development of the North Cariboo region of British Columbia from 1908 to 1933. Its development is analyzed with reference to the evolving economic and political structure of British Columbia and the implications of these changes for the study area's population. The emphasis is on changing socio-economic structures and relationships at the local level.

An anticipated railway connection to Vancouver initiated a period of agricultural settlement and population growth in the North Cariboo after 1908. During this period the local merchants became the economically and politically dominant class, and used their power to influence several aspects of the area's development to their advantage. The effects of the merchants' dominance on the remainder of the population are evaluated by examining economic and political relationships between the merchants, the farmers and several smaller groups.

## RESUME

Cette thèse étudie le développement de la région de North Cariboo en Colombie Britannique, de 1908 à 1933. Ce développement est analysé en rapport avec la croissance économique et politique de la Colombie Britannique et les effets de ces changements sur la population de cette région. Les structures et inter-relations socio-économiques sont analysées au niveau local.

Dès 1908 l'attente de la construction d'un chemin de fer vers Vancouver a initié une période de développement agricole et une croissance de la population. Dans cette période les commerçants locaux devinrent la classe dominante, économiquement et politiquement, et ils employèrent leur pouvoir pour influencer à leur avantage plusieurs aspects du développement de la région. Les effets de cette domination sur le reste de la population sont évalués par l'examen des interactions politiques et économiques entre les marchands, les fermiers et plusieurs groupes plus restreints.

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## PREFACE

Several people assisted in the preparation of this thesis. The members of my thesis committee--Sherry Olson and John Bradbury--read an earlier draft and responded with helpful comments. Warwick Armstrong supervised the entire procedure with the proper combination of encouragement and criticism.

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## CHAPTER I : INTRODUCTION AND BACKGROUND

### I.1 Introduction

This thesis is concerned with the historical 'development' of the North Cariboo, a region in the central interior of British Columbia. Like many parts of Canada, this region's history is marked by booms and busts, major population movements, staples extraction and pioneer agricultural settlement.

The study period covers the years from 1908 to 1933. After 1908 the North Cariboo experienced a railway boom touched off by the Grand Trunk Pacific Railway's plan to build a branch line from Prince George along the Fraser River to Vancouver (see Map 1). This plan was abandoned by 1912, but the boom was fuelled by the announcement that the Pacific Great Eastern Railway (now the British Columbia Railway) would follow the same route and pass through the North Cariboo. In 1921 the P.G.E. reached Quesnel (the major settlement in the study area) but at this point construction ceased--the links between Vancouver and Squamish in the south, and Quesnel and Prince George in the north, were not completed until many years later, with the result that after 1921 the North Cariboo entered two decades of economic stagnation and uncertainty. Some temporary relief was brought about by a quartz gold mining boom in the area east of Quesnel in 1933. This boom prompted significant structural changes in the regional economy--for this reason 1933 was chosen as a suitable point at which to end the study.

Of the literature dealing with this kind of development in Canada, perhaps the best-known approach is the 'staples thesis' developed by Harold Innis and others.<sup>1</sup> Basically, it explains Canada's economic history in terms of a sequence of staple products produced for export, first to France,

then to Britain, and more recently to the United States, with the entire economy being geared to external demands for these staple products. Rather than a theory in the conventional sense, it is a broad theme which has usually been applied to the study of large regions or the country as a whole.

Implicit in the staples thesis is the notion of metropolitan dominance of hinterland regions, which has been elaborated in several ways by authors such as Creighton (the 'Laurentian thesis'), Lower, Masters, Kerr, Usher, Davis and Gonick, most of whom have been influenced to some extent by Innis.<sup>2</sup> Like the staples thesis, the metropolis-hinterland model is best described as an organizing theme rather than a theory.

Recently R.T. Naylor has drawn on the staples thesis, Creighton's Laurentian thesis, and political economy to formulate a more comprehensive approach to Canadian economic history:

From the structure of the metropole, its dominant class, its stage of development and the structure of capital, and its external economic requirements, we can deduce the character of the imperial linkage. From the form of the imperial linkage follows the political economy of the hinterland and the degree and pattern of development. From the political economy of the hinterland, the nature, horizons, and policy of its dominant class can be deduced. The dominant class is directly dependent on the metropole; other classes, in contrast, are defined by their productive relationships with the dominant class and thus are related only indirectly to the metropolitan class structure. That is, ...the social structure and the structure of capital in the hinterland cannot be regarded as independent of the metropole. On the contrary, internal changes in the metropole are the immediate cause of socio-economic reorganization in the hinterland.<sup>3</sup>

Naylor's methodology is useful for two reasons relevant to this case study. Firstly, it places people as social beings in the centre of the analysis, rather than emphasizing availability of technology or the peculiarities of any one staple product. Secondly, it appears to be applicable at any scale--international, national, regional or local--as

long as the study area has sufficient internal coherence in terms of social relationships.<sup>4</sup>

The population of the North Cariboo from 1908 to 1933 consisted of merchants, homestead farmers, a small wage-earning class, and a few trappers and native Indians. The merchants controlled most significant local institutions and political affairs, were materially better off than most other people, acted as 'community leaders' and were recognized as such, and generally pursued their own interests with more vigour than other groups could muster. In short, they were the dominant class. Other groups were related in various ways to the merchant class, and the whole formed a social structure which was typical of many Canadian frontier regions at the time.

The purpose of this thesis is to examine the historical experience of the North Cariboo during a 25 year period in an effort to shed some light on the dynamics underlying its development during that time. This will be attempted by applying a flexible adaptation of Naylor's approach; that is, one which views the Quesnel merchants as a class that is dominated by the ruling class of the metropole, while it in turn dominates the rest of the region's population in the pursuit of its own interests. This suggests that it is necessary to consider (to paraphrase Naylor) the structure of the metropole, its external economic requirements, the character of the imperial linkage, the political economy of the hinterland, and the nature, horizons and policy of the dominant class in the hinterland. To go one step further, it is also necessary to consider the roles of groups other than the dominant class, because they also are a part of the development process.

The key element in such an approach must be a clear understanding of the role of the Quesnel merchants and the particular kind of capital they personify--i.e., merchant capital.<sup>5</sup> Merchant capital is one type of

circulation capital, as distinct from productive capital which is associated with the production of commodities. Basically, it consists of a sum of money advanced to buy commodities in order that they may be resold to obtain a larger sum of money. Of necessity, then, the buying price must be lower than the selling price--in other words, merchant capital engages in unequal exchange, or buying cheap and selling dear. This differential is the source of merchant capital's profit.

In effect, merchant capital inserts itself between producers and consumers by performing the necessary function of organizing the distribution of commodities. In order to survive the competition of other capitals, each individual capital must maximize its profits by striving to make unequal exchange as unequal as possible--that is, it must constantly drive down the prices it pays and maximize the prices it receives. But there are limits to this pressure. On the one hand, producers will not consistently sell at a loss, while on the other hand, consumers can purchase from a competing merchant capital if prices are too high (assuming, of course, that a competitive situation exists).

Merchant capital's total profits can also be maximized in another way. If each exchange yields a given rate of profit, total profits can be increased by speeding up the pace at which buying and selling takes place. This normally involves, among other things, efforts to match demand and supply as accurately as possible so as to avoid tying up capital in large stockpiles or being temporarily unable to meet buyers' demands. It can also lead to efforts on the part of merchants to increase the number of consumers, increase their purchasing power, or both, as long as this can be done at little or no cost to the merchant.

The abstract tendencies identified above can only take on a real

( ) existence when merchants, as people, adopt particular strategies in a concrete situation. Although these tendencies are essentially 'economic' in nature, the context within which they are expressed has social, political and ideological dimensions as well. Thus merchants cannot be regarded simply as economic agents, because they must pursue economic objectives in the real world, where attitudes, myths, morals, habits and psychological needs as well as political and economic relationships combine to constrain and guide human behaviour. The same qualification applies to those with whom the merchants enter into any kind of social relationship. These observations are stressed because they explain why an effort has been made in this thesis to avoid economic determinism, without at the same time denying the fundamental importance of economic reality in influencing all aspects of human behaviour.

This thesis is organized in accordance with the approach outlined above, in that its structure reflects the methodology I have adopted. Section I.2 describes the political economy of British Columbia as a whole, beginning with a short outline of provincial economic history up to the early twentieth century, and then focussing on the railway boom which began in 1908. Those elements of economic and political life which had a direct bearing on the North Cariboo are emphasized; including the provincial government's land and resource policies, the political patronage system, government railway policy, the circumstances surrounding the financing and construction of the P.G.E., and land speculation. In other words, some understanding of the 'structure of the metropole' and its external requirements is established.

Section I.3 provides a description of the political economy of the North Cariboo. A brief outline of the region's pre-1908 history traces

its evolution through the fur-trade era, the gold rush of the 1860's, and the later years when Quesnel functioned as a transportation and supply centre serving the Cariboo goldfields, in order to show how it came to be what it was immediately before the railway boom. This is followed by a discussion of the significance to the local economy of the anticipated railway connection, the land companies operating in the area, and the rapid expansion of the merchant class immediately after 1908.

In Chapters II and III the Quesnel merchants--the ruling class in the hinterland--are situated into the local and provincial context. The basis of their dominance at the local level is examined in Chapter II, with reference to the structure of the local market, the composition of the merchant class, its role in the ongoing campaign to speed up construction of the P.G.E. and influence the location of the line, and the significance of the political patronage system. Chapter III goes on to analyze the ways in which the merchants exercised their dominance by manipulating the local economy in accordance with the objective requirements of merchant capital. These 'policies', or strategies, are discussed in terms of maximizing demand, attracting investment from outside, and minimizing costs.

Chapters IV and V are concerned with the remainder of the population. The role of the farmers is discussed in Chapter IV; their role is emphasized because they were the largest single group in the area and because of their significance to the survival of the merchants. Chapter V goes on to discuss the trappers, wage-workers and native Indians in turn, and deals with their roles in the local economy and society.

Chapters I through V bring the study up to 1921, the year in which the railway reached Quesnel. Chapter VI follows up on some of the themes identified earlier, to show how established trends in the region's develop-



ment took on somewhat different forms during the years of economic stagnation which followed 1921. The chapter is limited to a discussion of merchants and farmers--the roles of the trappers, wage-workers and Indians remained basically unchanged.

Finally, Chapter VII draws some conclusions from the analysis.

It should be noted that the categorization of the North Cariboo's population as merchants, farmers, trappers, wage-workers and native Indians was made carefully and consciously, using criteria based primarily on economic relationships. Other sources of division within classes and groups, such as differences based on religion, education, sex or ethnic status, have not been overlooked but have deliberately been treated as secondary considerations in this particular study.

The empirical data in this study have been taken from a variety of primary and secondary sources. Only the most important of these will be mentioned at this point--for a complete list, see the bibliography at the end of this thesis.

The chapter on the political economy of British Columbia relies heavily on the work of Martin Robin and Margaret Ormsby, who have written the two most comprehensive book-length histories of the province. An unpublished thesis on the history of the Pacific Great Eastern Railway by Stewart Dickson, the Canadian Annual Review, and various items from the Sessional Papers of the province of British Columbia were also useful.

My interpretation of local developments also draws on several sources. The most important of these is the Cariboo Observer, a weekly newspaper published at Quesnel since 1908. Every issue from 1908 to 1933 was examined in order to build up a detailed knowledge of day-to-day events during this period. A great deal of time was spent in this exercise, but

it proved to be useful because a shortage of 'news', as it is generally understood today, caused the editors to devote a great deal of space to unspectacular items which are of interest to anyone now engaged in detailed historical research. Everything from road conditions and firewood prices to election results and automobile purchases was recorded by the newspaper's staff, although sometimes in a rather haphazard fashion.

Other useful sources were Gordon R. Elliott's history of the Quesnel area, a local history by the Bouchie Lake Women's Institute, the texts of several interviews with local old-timers conducted in 1929 and now preserved in the Public Archives of British Columbia, and a number of directories.

Less tangible but equally important was the understanding of the North Cariboo gained by growing up, attending school and working there during the period 1956-1967, and regular visits to the region more recently. During this time my association with some of the people who have been in the area for many years inspired a continuing interest in their life-experiences, and informed me about the influences which shaped their behaviour, their thoughts and their feelings.

There are, however, significant gaps in the data, most of which are due to the fact that certain kinds of information simply were not recorded at the time. Some other records are not in a useable form or are unreliable, while many have been destroyed. More specifically, the following data were unavailable or incomplete: retail sales of Quesnel merchants; retail and wholesale prices, and amounts of capital invested; value of agricultural production in the region, agricultural land values, and acreage under cultivation; details of the operations of the land companies; the precise distribution of political patronage benefits over the years; and freight

rates for various commodities both before and after the arrival of the railway. Complete and accurate population data are also not available, particularly on a year to year basis. However, it has been possible to circumvent many of the difficulties stemming from the lack of comprehensive data by piecing together bits of information from a variety of sources and by cautious use of estimates and observations made at the time.

I was assisted by Valerie Droste in the gathering of data from primary sources at the British Columbia Legislative Library, the Public Archives of British Columbia and the Vancouver Public Library.

## I.2 The Provincial Context

### British Columbia from the Fur Trade to the Railway Era

Staples production has been the basis of British Columbia's economy since it was first drawn into the British Empire at the end of the 18th century. Fur traders connected with the Northwest Company were the first to explore and establish a permanent presence in the area, and by 1821 the Hudson's Bay Company was able to gain complete control of the region. Settlement not related to the fur trade was discouraged because it would have disrupted the activities of the company, but by the 1840's American settlement in Washington and Oregon was threatening to spill across the forty-ninth parallel. In an effort to consolidate British control, Vancouver Island was made a crown colony in 1849, but the Hudson's Bay Company had control of the new colonial government and it continued to discourage agricultural settlement.

The short-lived Fraser River Gold Rush of 1858 began the decline of

( the fur trade. Thousands of miners flocked in, placer mining camps sprang up along the interior rivers, and the gold frontier began a sporadic northward movement culminating in the Klondike Rush of 1898. 'Free traders' who competed openly with the Hudson's Bay Company followed the movements of the miners, leaving a trail of abandoned camps and ghost towns, as well as a few small settlements surviving because of transportation or agricultural functions--Quesnel was one of these survivors.

Vancouver Island and the mainland colony were united in 1866--in 1871 British Columbia joined the Canadian Confederation, encouraged by the promise of a transcontinental railway from the east.

A new staple--fish--was gradually emerging during the 1870's, along with a small manufacturing sector dominated by fish processing and other related activities (see Figure 1). But this growth was limited to several points on the Pacific coast, while in the interior the fur staple continued its decline, leaving in its wake a huge empty land with only a tiny population of white people. The Crown had control of the land and all resources, the Indians presented no serious obstacle, and the stage was set for the massive resource giveaways which were the foundation of the railway era initiated by the completion of the Canadian Pacific Railway to Vancouver in 1886. The significance of the C.P.R. lay in the fact that eastern Canada now had a potential new market for manufactured goods, eastern Canadian and British financiers were now able to lend huge sums to promoters who would develop the Pacific province's resources, the settlement of the prairies was creating a market for British Columbia lumber while prairie wheat could be exported overseas from Vancouver, and some of the trade between eastern Canada and the Orient could also be channelled through Vancouver.

( By the early years of the 20th century, British Columbia had become

( a significant exporter of minerals, forest products and fish (see Figures 1, 2 and 3). In each industry a few large firms had control, with the Canadian Pacific Railway overshadowing all the others--it had grown from a railway with huge land and resource grants into a giant conglomerate with considerable influence over the economic and political development of the province. The Canadian Northern Railway and the Grand Trunk Railway were involved as well, but on a smaller scale. Through networks of subsidiaries, the railway companies controlled mines, smelters, telegraphs, hotels, steamships, timber land, agricultural land and urban property to such an extent that the rate and spatial pattern of settlement and resource development were almost completely under their direction.

This type of development, which was typical of what happened throughout western Canada at the time, continued sporadically through to World War I. A class of railway and industrial entrepreneurs, financed by British and Canadian banks, lobbied the provincial government to obtain resource and land grants as well as other kinds of subsidies and guarantees. Settlement and economic growth became so closely identified with railway-building that railways virtually became a mania among most residents of the province--to settlers, merchants, land speculators and many wage-workers prosperity seemed to depend directly on the pace of railway construction. This attitude was not universal, however, and the railways did have their critics.<sup>6</sup>

( The North Cariboo was not directly affected by railway-oriented development until 1908. Since the gold rush it had stagnated because the best placer gold deposits were exhausted, and new staple-based growth had been taking place in other parts of the province. But after 1908 the Grand Trunk Pacific Railway and the Pacific Great Eastern Railway promised to draw the region into the provincial and national railway networks within a few

years, sparking a new boom period (see Map 1).

These two railway projects, like others before them, required certain conditions before they could begin: available finance capital, a provincial or federal government charter; government subsidies in the form of resource grants, cash and guarantees of bond issues; a predictable political environment which reassured the financiers; a public which saw railways as desirable catalysts of economic growth and settlement; and promoters who were able to fashion these elements into an actual construction project. These preconditions emerged in the course of provincial political developments after the turn of the century.

#### The Railway Boom of 1908-1921

A depression during the 1890's, combined with the militancy of a growing labour movement, increasingly suspicious financiers who were reluctant to invest in British Columbia, and persistent instability in the legislature, gave rise to a movement to introduce federal party lines into provincial politics, which formerly had been based on personal allegiances.<sup>7</sup> When the Prior government was brought down in 1903, the Lieutenant-Governor asked Richard McBride, leader of the opposition, to form a cabinet-- McBride appointed only Conservatives. An election followed immediately, and a campaign fought along party lines resulted in the victory of McBride's Conservatives. The legislature immediately became more disciplined and the small labour and socialist parties were rendered less effective.

The primary concern of the McBride government was to renew the influx of American, eastern Canadian and British finance capital upon which the province's development was based, but before it could begin to do so the

massive public debt had to be decreased. As McBride informed the electorate during the campaign of 1903, his government's first task would be "to restore confidence in the financial and political administration of the Province."<sup>8</sup> A series of measures was enacted to increase revenues and decrease expenditures, and a freeze was placed on all new railway schemes and large public works. In 1905 the responsibility for school financing was shifted from the provincial to the municipal level of government. Taxes on railway property and wild lands were increased, as were poll taxes, corporation taxes, and income taxes. Prospectors' licence fees were doubled. The results of these efforts was a slight surplus at the beginning of the 1905 session (see Figure 4).

But the real key to large increases in revenue was the wholesale giveaway policy adopted with respect to land and timber rights. Speculators bought thousands of acres of agricultural land along the Grand Trunk Pacific Railway, a federally-subsidized project which was then under construction. Timber rights, which previously were non-transferable, were made annually renewable for a period of 21 years and freely transferable, thereby turning them into commodities in the full sense of the word and opening the door to speculation in timber lands. By 1907 millions of acres had been alienated and were in the hands of a few large corporations, and as a result of these sales forest revenues as a percentage of provincial revenues increased rapidly after 1906 (see Figure 5).

The new era of financial stability witnessed a significant strengthening of the Conservative Party, which in turn meant stronger government and investor confidence. The patronage system was perhaps the most important mechanism used to strengthen the Conservatives--it involved the channelling of public expenditures through the hands and into the pockets

of party members and supporters. Patronage was the norm rather than the exception, and was particularly widespread in outlying areas such as the North Cariboo where government expenditures were an important source of income for many people. Roads and other public works were the outward expression of organized vote-buying efforts.

The patronage system extended from the premier through the cabinet and provincial party executive to the local committees, which consisted of road superintendents and other government employees who were in a position to dispense favours, as well as bank managers, merchants, lawyers and industrialists. Claims for patronage were brought to different levels in the hierarchy according to the magnitude of the request and the status of the claimant, and arrangements were usually verbal agreements or tacit understandings rather than formal contracts. Labourers and settlers made deals with the road superintendents, railway sub-contractors sought advice about hiring and suppliers from M.L.A.'s or presidents or local associations, and railway promoters and large land companies addressed themselves to cabinet ministers and the premier. The effectiveness of the network apparently helped the Conservatives to win the 1907 election with a huge majority.

By 1908 the stage was set for another railway boom. Recent budget surpluses had put the government in a good financial position and credit was readily available once again. An interlude of several years had caused public indignation at earlier railway scandals to fade from memory, and a new railway mania was surfacing. The boom began with the Grand Trunk Pacific Act of 1908, which guaranteed the federally-chartered railway port facilities at Prince Rupert and other concessions, and gained momentum in 1909 with the announcement of an agreement to bring a third



transcontinental railway through British Columbia--the Canadian Northern Pacific Railway. The agreement with the Grand Trunk Pacific had a direct impact on the North Cariboo, as will be detailed later, but it was dwarfed by the importance of the Pacific Great Eastern Railway, which was to link Vancouver with the Grand Trunk Pacific at Prince George.

In late 1911, as construction of the G.T.P. was nearing completion, the construction firm of Foley, Welch and Stewart, which was responsible for the Edmonton-Prince Rupert section of the line, found that it had massive amounts of capital tied up in railway construction machinery and equipment, with no new contracts in sight. This firm, together with D'Arcy Tate, General Counsel for the G.T.P., began to promote the idea of a railway linking the Grand Trunk Pacific with the Canadian Pacific Railway and the Canadian Northern Pacific Railway at Vancouver.

Tate did the initial ground-work. First he approached the management of the G.T.P., which was interested in the idea but did not want to pay for the scheme. In early 1912 Tate secured a charter from the B.C. government, an exclusive traffic agreement with the G.T.P., and the support of Premier McBride and Attorney-General Bowser. On February 27 the Pacific Great Eastern Railway Company was incorporated, with J.W. Stewart as president, Patrick Welch as vice-president and general manager, and D'Arcy Tate as vice-president and general counsel. These three, along with Timothy Foley and two others, comprised the first board of directors of the company.

McBride and Bowser had permitted the P.G.E. to issue thirty-year 4% bonds, and guaranteed them to a maximum of \$35,000 per mile for a distance of 450 miles.<sup>9</sup> Foley, Welch and Stewart estimated that the actual cost would be \$45,000 per mile, and this difference was to be made up by the sale of P.G.E. common stock. The railway's entire share capital of \$25 million

was issued to the three men, even though only \$40,000 worth had been fully paid. D'Arcy Tate received one quarter of this stock for his efforts, together with \$500,000 to cover expenses such as contributions to the Conservative Party's campaign fund.

Other features of the contract were equally dubious. An escape clause enabled the P.G.E. to delay completion of the line beyond the deadline of July 1, 1915, the company was exempt from taxation until 1926, and it was granted land, timber rights and gravel rights along the route. The entire deal was concluded behind closed doors and then rammed through the legislature, together with five other railway bills, in four days.

On September 23, 1912 Patrick Welch resigned his position as vice-president and general manager of the P.G.E., and accepted, on behalf of his construction firm, the contract to build the rail line. In effect, Foley, Welch and Stewart had awarded themselves the contract. No provision was made for inspection of the construction firm's books or examination of the actual construction work. Many kinds of abuses were possible in this situation, and their inevitability was virtually ensured by the fact that not one of the promoters had ever travelled along the proposed route, and no profiles or surveys were in existence.

By the beginning of 1914, the estimated construction cost was raised to \$58,014 per mile.<sup>10</sup> McBride duly raised the provincial guarantee to \$42,000 per mile. By November of 1915 the bonds were exhausted, and the provincial government bailed the P.G.E. out again with a loan of \$6 million. But it appears that by this time the voters had decided that Foley, Welch and Stewart did not have the interests of the province at heart, and a combination of the Conservative Party's disastrous railway policies and other indiscriminate giveaways was enough to elect a Liberal government in

September of 1916.

The Liberals immediately appointed a select committee of the legislature to back up their pre-election promise that corruption would be ended and muzzles put on the "scoundrels who make a livelihood and become millionaires at the expense of the common people."<sup>11</sup> Among the Liberals on the committee was John M. Yorston of Quesnel, who had just won the Cariboo seat and had promised during his campaign that he would fight corruption. The committee's work was hampered by the fact that Welch had misplaced some important ledgers, Tate refused to answer embarrassing questions, several officers of the P.G.E. were in the United States, and J.W. Stewart, by now a Brigadier-General, was in Europe building railways for the Allies,<sup>12</sup> but the committee persisted and handed down its report on May 1, 1917.<sup>13</sup>

According to the committee's report, the ~~contract~~ between the P.G.E. and the construction contractor had been improperly concluded; two directors of the P.G.E. and one Conservative M.L.A. had sub-contracted for Welch; the government had paid out \$18,035,198 while the value of the work done on the line was only \$12,330,882; and of this \$12,330,882 over \$5 million had been raked off as profits by Welch. The report went on to mention profits made from townsites, improper inspection of the construction work, and the \$13 million that would have to be found to complete the line.

All work on the line had ended in 1916, and Quesnel still did not have its railroad. In 1918 the Liberal government remedied its P.G.E. headache (once and for all, it was thought) by taking over the line, awarding a contract for its completion to the Northern Construction Company, and operating trains as far north as Clinton, approximately 275 kilometers south of Quesnel (see Map 1). By 1920 the rails reached Williams Lake, and

finally in October of 1921 the first train arrived in Quesnel. Just before that, the federal government had nationalized the bankrupt Grand Trunk Pacific to make it part of the Canadian National Railway system, which already included what was previously the Canadian Northern Pacific Railway. The federal government's decision to favour the southern route of the C.N.R. for transcontinental freight removed the major impetus for linking Vancouver with Prince George, and this development, combined with the unexpectedly high cost of spanning the Cottonwood River north of Quesnel, resulted in another halt to the construction. Quesnel became the northern railhead on a line that ran only as far as Squamish, where all freight was transferred to barges which provided the link with Vancouver (see Map 1).

In addition to the McBride government's reckless railway policies, rampant land speculation also shaped the context within which the North Cariboo developed. The mythology of the time was that cheap and fertile agricultural land was available without limit to hard-working pre-emptors in all parts of the province. The actual situation was quite different. After 1907 an amendment to the Land Act opened the flood gates of large-scale speculation, so that in less than ten years virtually all the unsettled arable land in the province was in the hands of Canadian, American and European syndicates.<sup>14</sup> According to Ormsby, most of the land along the P.G.E. and C.T.P. Railways was held by 144 syndicates by 1914.<sup>15</sup>

Before 1907 no individual was permitted to purchase more than 640 acres of crown land, but after that time speculators amassed huge tracts of valley-bottom land and other land which was near a railway, a possible railway, or a town. For each parcel of land a 'notice of intent to purchase land' had to be published in the nearest newspaper (these notices provide a record of land-staking in every part of the province, although

they do not indicate whether each parcel of land was ever completely alienated). Each located piece of land was registered with the provincial government and paid for at the rate of a few dollars per acre--the actual price depended on whether the land was Class 1, 2 or 3 farmland. After a monopoly in a choice area had been obtained, the companies' strategy was to force up the prices, and then high-powered promotion and advertising sought out prospective settlers and petty speculators wherever they could be found.

The demand for agricultural land in the Canadian West was enormous during the early years of the 20th century. The continuing exodus from all parts of Europe, displacement of agricultural smallholders in the American West and mid-West, and a steady movement of would-be settlers from Eastern Canada into the prairies and British Columbia are reflected by high rates of population growth in the western provinces at the time (see Figure 6). Within British Columbia many railway construction workers and miners were looking for opportunities to escape the low wages and appalling working conditions to which they were subjected, and to some of them homesteading was an attractive option.

Most settlers had a choice of two unpleasant and risk-laden courses of action. One was to sell everything they could not carry with them, get to their destination as cheaply as possible, pre-empt Crown land, build a shack before winter set in, and begin to clear land and erect fences and buildings. This seemed a viable option to some people because up to 160 acres could be purchased for \$1 per acre if certain improvements were made within a specified time period. Payment was to be made in four annual instalments of 25¢ per acre, with the first payment due two years after the date of the pre-emption record.<sup>16</sup> But in practice it was not so simple.

Many pre-emptors found that only poor quality or isolated land was not held by the land companies, and they had to accept these leftovers.

Others were deterred by the high cost of getting to the area, by high prices for food, tools, livestock, building materials and seed grain, and the amount of money needed to tide a family or even an individual over until the first crop could be harvested. These problems will be elaborated in Chapter IV.

The second option, which some settlers chose to their regret, was to buy land from a speculator at prices in the order of \$7 to \$15 per acre, often without first having seen it.<sup>17</sup> Many people, expecting to reside near what had been advertised as a thriving city with plenty of services and good railway transportation, found themselves in the middle of mosquito-infested swamps or on rocky hillsides many miles from the nearest neighbour. Often the 'thriving city' did not exist at all except in the publications of the promoters, and at other times it was a cluster of hastily thrown-together buildings occupied by recently arrived merchants.

But the difficulties encountered by the agricultural settlers were never great enough to stop immigration completely. Inevitably, most settlers were attracted to areas where the opportunities were thought to be greatest--that is, along newly built railways and even in the path of projected rail lines. After 1908 the North Cariboo became part of this settlement frontier, ending the region's half century of stagnation that had followed the gold rush.

### I.3 The Local Context

#### The North Cariboo to 1908

The North Cariboo was an integral part of the fur trade during the early 19th century. A fur trading post at Fort Alexandria, about 35 kilometers south of Quesnel, was operated by the Hudson's Bay Company, but there was no permanent settlement at Quesnel at the time (see Map 2). The Brigade Trail, which was used to supply the northern posts and bring out furs, followed the Fraser River through the region.

The Fraser River gold rush brought miners to Quesnel in 1859 and 1860, after which the centre of activity was in the vicinity of Barkerville, about 90 kilometers east of Quesnel. In 1864 the colonial government completed a wagon road (the Cariboo Road) along the Fraser to Quesnel, and a pack-trail from there to the goldfields. Even though little mining was going on at Quesnel, a permanent settlement sprang up--the new road made Quesnel a distribution centre, and it attracted a few farmers who produced food for miners, oxen and horses.

By the late 1860's the goldfields were in decline because the best placer deposits had been exhausted. An exodus of miners left in its wake a few small mines which operated sporadically until the end of World War II, and the village of Quesnel which functioned as a transportation and supply centre serving the mines. John A. Fraser, who later became the town's leading merchant, recalled that when he arrived at Quesnel as a school teacher in 1891:

...it was a very small place, with few white people, not over half a dozen families with children, and not much agricultural settlement anywhere in the vicinity. The importance of the place was in connection with through business and freighting on the Cariboo Road. There were four stores and two hotels.

Senator James Reid and the Hudson's Bay Company had large and prosperous general stores, and there were two Chinese stores....The senator had been in business here for a long time and was the leading merchant, besides being engaged in milling of grain and timber, and he had freighting and steamboat interests.<sup>18</sup>

Mrs. Suzie Baker, in an interview in 1929, recalled her life on one of the few farms in the area:

The market which the farmers in this district had was among the miners and packers, and the hotels and stopping-places ....their [sic] was a good demand all the time for vegetables of all sorts, and for beef and mutton, poultry, eggs and butter....We grew most of what we eat on our own place except tea, sugar, coffee and salt. We bought some bacon but we cured our own too....Some of our grain and hay was used for my husband's pack-train, which he wintered on the farm here.<sup>19</sup>

In short, after the gold rush the population consisted of merchants, farmers and teamsters, as well as a few wage-workers employed by the merchants, the provincial government or the federal government. Each group contained whites and Chinese--racism was a divisive force, but whites and Chinese did enter into some economic relationships and lived in relative harmony.<sup>20</sup> Most farmers subsisted by dividing their time between production for use, production for the market, and seasonal work as teamsters or wage-workers employed by the provincial government, merchants or mining companies. Some trapping continued as well, involving both whites and native Indians--the Indians also occasionally worked as teamsters or packers, and they were frequently hired on a casual basis by merchants and farmers to help with tasks such as loading freight or haying.<sup>21</sup> Everyone was more or less dependent on the level of activity in the goldfields.

#### The Local Impact of the Railway Boom

The anticipated arrival of a railway in the North Cariboo had a



significant effect on the economic potential of the region, an effect already being felt by 1908. Especially important was the expected impact on an agricultural sector which had always been precarious and was strictly limited by the fluctuating local demand for agricultural produce. Enormous transportation costs prohibited the production of any crop for export, and the coming of the railway was seen as the beginning of a new era in which the agricultural potential of the area would finally be realized. The prospect of all-weather low-cost transportation, especially for bulky goods, was the basis for a surge of optimism among established residents and resulted in an influx of people. The editor of the Cariboo Observer, for one, did his best to spread "the satisfying knowledge of the splendid conditions which railroad transportation will eventually evolve," and it appears that other residents were equally hopeful that prosperity would come their way.<sup>22</sup>

But the incoming agricultural settlers found that several obstacles stood in the way, among them the policies of the land speculators. The biggest land companies in the central interior, such as the North Coast Land Company and the Natural Resources Security Company, concentrated their initial efforts on land adjacent to the Grand Trunk Pacific Railway, particularly near Fort George (now Prince George) and in the Nechako Valley. By the summer of 1910 the Natural Resources Security Company also owned 40,000 acres of land near Quesnel, and other smaller companies were investing as well, making 1910 the peak year for the Quesnel area in terms of acreage staked.<sup>23</sup> On May 28 of that year the Cariboo Observer published approximately 550 notices of intent to purchase land.<sup>24</sup> This land was then advertised for sale in Vancouver, Seattle, Spokane, and in some European cities.

The land companies operating in the North Cariboo were apparently no more scrupulous than those in other parts of the province.' J.B. Daniells, editor of the Cariboo Observer at the time, usually supported the speculators against 'knockers' (people who were dissatisfied with local conditions), but occasionally he made revealing statements such as this:

Many of the companies who are handling our northern lands on the markets of the commercial centres...have spent large sums of money in advertising the Northern Interior of British Columbia. The only thing which we deplore in this regard is the unnecessary misrepresentation which is too often a feature of this advertising.<sup>25</sup>

The various difficulties encountered by prospective settlers caused some new settlers to stay only a short time, resulting in a rate of agricultural settlement far below the expectations of the more enthusiastic supporters of McBride's land policies. Nevertheless, the agricultural population of the North Cariboo increased gradually, as reports in the Cariboo Observer indicate (see Figure 7).

By the spring of 1912 the Grand Trunk Pacific Railway Company had categorically denied that it intended to build a branch line to Quesnel, but local expectations were boosted by an agreement between the newly-formed Pacific Great Eastern Railway Company and the provincial government. A line was to be built from Vancouver to Fort George on the G.T.P. Railway, and Quesnel lay directly in its path, so the settlers continued to arrive. Real estate prices continued to rise, construction continued, and all was well according to the Cariboo Observer:

...we are just on the eve of bigger and better development along all lines. The famous old Cariboo, noted for so many years on account of its gold production, is fast becoming recognized as an agricultural county of unlimited possibilities, and with the advent of railways there will be a large influx of settlers.<sup>26</sup>

The size of the merchant class also increased after 1908, mainly because of immigration to the area (see Figure 8). Until that time, Quesnel had a varying number of businesses; for example, an 1887 directory lists three general stores, two hotels, two fur traders, two blacksmiths, an express office and a butcher shop.<sup>27</sup> By February of 1921 the town had five general stores, two larger hotels, two banks, a livery stable, and eighteen other mercantile and service establishments of various types.<sup>28</sup> This was before railway construction work had even begun.

In summary, the expected railway increased the perceived viability of agriculture in the North Cariboo sufficiently to attract agricultural settlers. Because much of the land was held by speculators, and because some people were misinformed about actual conditions in the North Cariboo, the actual rate of settlement was lower than the 'boosters' had expected. Expansion of the agricultural sector brought about an increase in opportunities for exchange, and the number of merchants increased in response to this trend. This pattern will be elaborated in the following chapters.

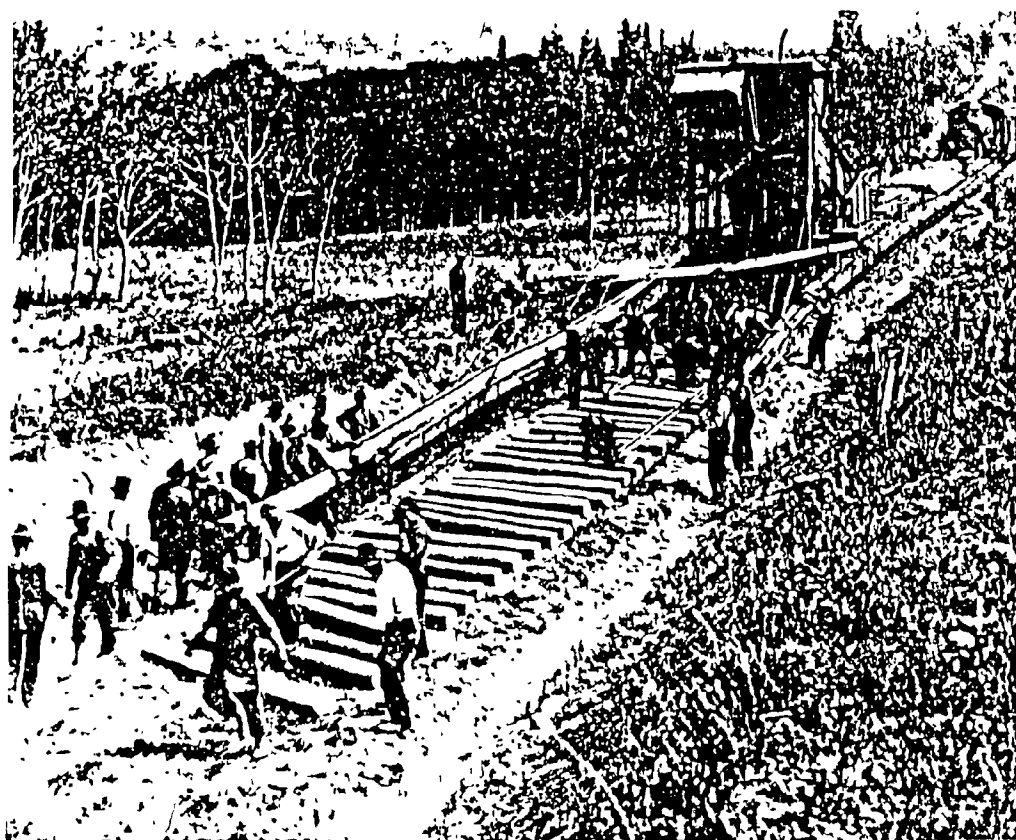
## FOOTNOTES--CHAPTER I

1. Examples of works in the staples thesis tradition are: H.A. Innis, The Cod Fisheries (Toronto, 1954), The Fur Trade in Canada (Toronto, 1956) and Essays in Canadian Economic History (Toronto, 1956); M.H. Watkins, "A Staple Theory of Economic Growth", in W.T. Easterbrook and M.H. Watkins, eds., Approaches to Canadian Economic History (Toronto/Montreal, 1967), pp. 49-73; W. Easterbrook and A. Aitken, Canadian Economic History (Toronto, 1965); Daniel Drache, "Staple-ization: A Theory of Canadian Capitalist Development", in Craig Heyon, ed., Imperialism, Nationalism, and Canada (Toronto, 1977), pp. 15-33.
2. Donald Creighton, The Commercial Empire of the St. Lawrence: 1760-1850 (Toronto, 1937) and Dominion of the North (Toronto, 1962); D.C. Masters, The Rise of Toronto, 1850-1890 (Toronto, 1947); Donald P. Kerr, "Metropolitan Dominance in Canada", in John Warkentin, ed., Canada: A Geographical Interpretation (Toronto, 1968), pp. 531-555; Arthur Lower, "Metropolis and Hinterland", in South Atlantic Quarterly, 70, 1971, pp. 386-403; Arthur K. Davis, "Canadian Society and History as Hinterland Versus Metropolis", in Richard J. Ossenbarg, ed., Canadian Society: Pluralism, Change, and Conflict (Scarborough, Ontario, 1971), pp. 6-32; Cy Gonick, "Metropolis/Hinterland Themes", in Canadian Dimension, 8:6, 1972, pp. 24-28; Peter Usher, "Hinterland Culture Shock", in Canadian Dimension, 8:8, 1972, pp. 26-31.
3. R.T. Naylor, "The Rise and Fall of the Third Commercial Empire of the St. Lawrence", p. 2, in Gary Teeple, ed., Capitalism and the National Question in Canada (Toronto and Buffalo, 1972), pp. 1-41. Also see Naylor's The History of Canadian Business: 1867-1914 (Toronto, 1975), in two volumes.
4. The terms 'social relations' and 'social relationships' are used throughout this thesis to refer to the entire array of human relations, conscious or otherwise, and encompass the economic, political and ideological dimensions of interactions between people.
5. This simplified explanation of the nature of merchant capital is based on K. Marx, Capital (Moscow, undated), particularly Volume II. For a more readable and concise argument see Geoffrey Kay, Development & Underdevelopment: A Marxist Analysis (London, 1975).
6. Government railway policies were an issue in, for example, the provincial elections of 1890 and 1898 (Martin Robin, The Rush for Spoils: The Company Province 1871-1933, Toronto, 1972, p. 63 and p. 69).
7. This analysis of developments during and shortly before the railway boom is based on several sources: Stewart C.V. Dickson, The Pacific Great Eastern Railway and Its Effect on British Columbia, unpublished Master of Commerce dissertation, University of Toronto, 1952; Bruce Ramsey, PGE: Railway to the North (Vancouver, 1962); Margaret A.

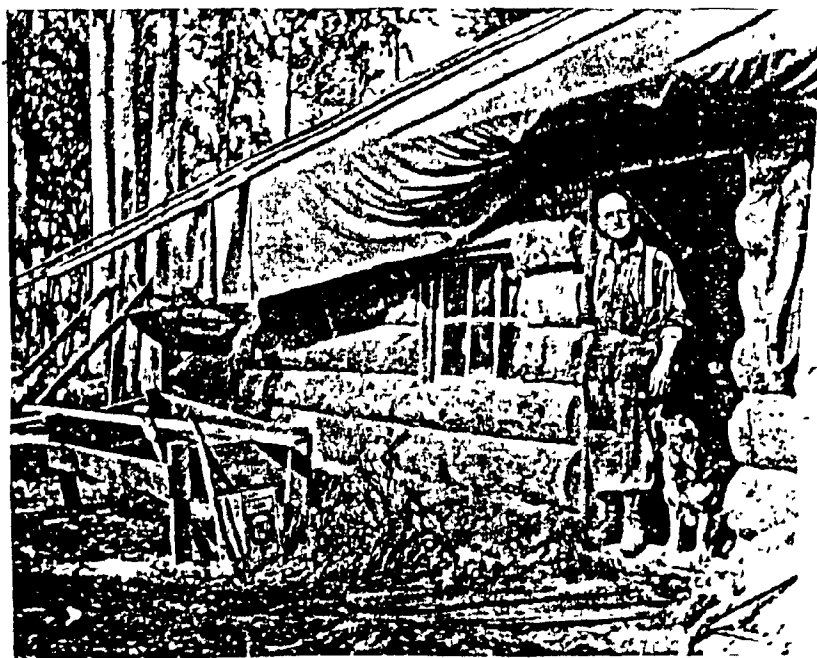
- Ormsby, British Columbia: A History (Toronto, 1958); Edith Dobie, "Party History in British Columbia, 1903-1933", in J. Friesen and H.K. Ralston, eds., Historical Essays on British Columbia (Toronto, 1976), pp. 70-81; F.W. Howay, "The Settlement and Progress of British Columbia, 1871-1914", in Friesen and Ralston, eds., op. cit., pp. 23-43; Martin Robin, op. cit.; and Jack Scott, Plunderbund and Proletariat: A History of the IWW in B.C. (Vancouver, 1975).
8. Canadian Annual Review, 1903, p. 217.
  9. The original agreement between the province and Foley, Welch and Stewart was spelled out in the Revised Statutes of British Columbia, 1912, Schedule A of Chapter 34. Subsequent modifications of this agreement were revealed by the "Report of the Select Committee of the British Columbia Legislature to Investigate the Pacific Great Eastern Railway Company", Sessional Papers of the province of British Columbia, 1917, Vol. I, pp. J645-J649.
  10. Stewart C.V. Dickson, op. cit., pp. 23-24.
  11. John Oliver, Minister of Railways, as reported by the Vancouver Daily Province, March 10, 1917. Quoted by Martin Robin, op. cit., p. 168.
  12. Vancouver Daily Sun, April 17, 1917.
  13. "Report of the Select Committee....", op. cit.
  14. M.B. Cotsworth, The Crisis in British Columbia (Saturday Sunset Press, 1916), p. 4. Quoted by Martin Robin, op. cit., p. 139. Cotsworth was a British accountant and railway economist who worked for the McBride government after 1907.
  15. Margaret A. Ormsby, op. cit., p. 359.
  16. Cariboo Observer, February 5, 1910.
  17. Ibid., April 22, 1911.
  18. John Anderson Fraser, Reminiscences as told to R.J. Hartley, October 8 and 9, 1929.
  19. Mrs. Suzie Baker, Reminiscences as told to R.J. Hartley, October 11, 1929.
  20. There are no detailed records of the history of the North Cariboo's Chinese population. They originally came to the area during the Fraser River gold rush, and some stayed on as farmers, miners, merchants and teamsters. Virtually all of them were males, so that by the late 1920's the Chinese population was declining rapidly. The day-books of James Bohanon, who operated a combined butcher shop, general store and livery stable in Quesnel from the 1860's to the 1880's, provide some clues about the relationship between whites and Chinese at the time. Bohanon

sold supplies to the Chinese, used the services of the Chinese laundry, and occasionally hired Chinese labourers for odd jobs such as hauling cargo from the steamer landing to his store. But at the same time he did not know every person's proper name, referring to them in his day-books as 'China drayman', 'Little China woman', 'China Washman', 'China Butcher', 'Cock-eyed Chinaman', etc. (James Bohanon, Day-Books; five volumes cover January 13, 1868 to October 23, 1870 and November 22, 1872 to December 13, 1881).

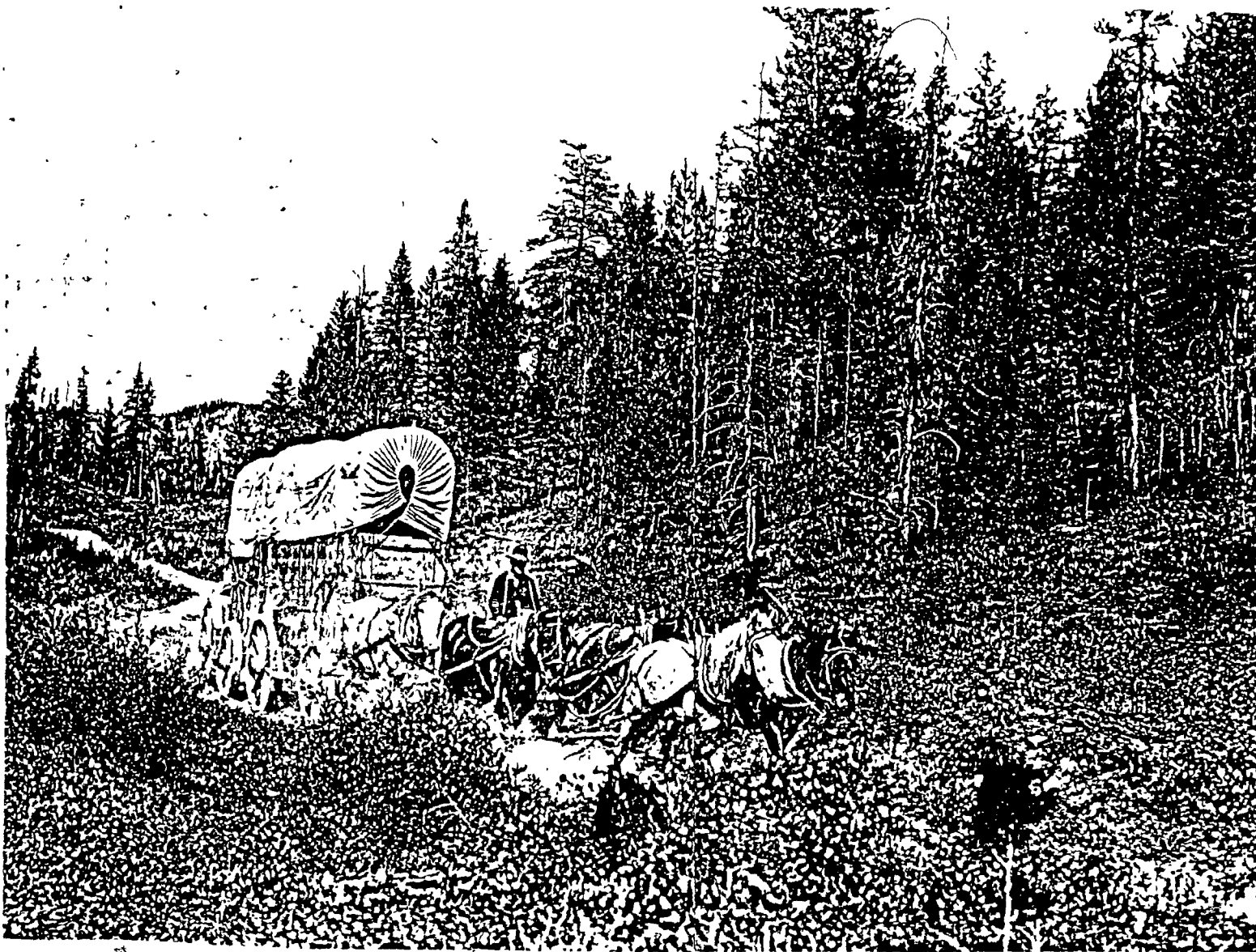
21. The history of native Indians in the North Cariboo is as badly-recorded as that of the Chinese. There is no indication that a significant number of Indians resided in Quesnel on a permanent basis, but varying numbers did go there each year during the salmon run. Others used pack-horses to carry supplies to the mines, and sometimes they were hired as unskilled labour on a seasonal basis. John Anderson Fraser, op. cit., confirms this. Also see Chapter V.
22. Cariboo Observer, September 11, 1909.
23. Ibid., July 16, 1910.
24. Ibid., May 28, 1910.
25. Ibid., October 30, 1909.
26. Ibid., August 24, 1912.
27. British Columbia Directory, 1887 (Victoria).<sup>a</sup>
28. Cariboo Observer, February 3, 1912.



Track-laying on the Pacific Great Eastern Railway near Alexandria  
Source: Public Archives of British Columbia



Cook-shack in a railway construction camp near Quesnel, circa 1921  
Source: Hixon Women's Institute



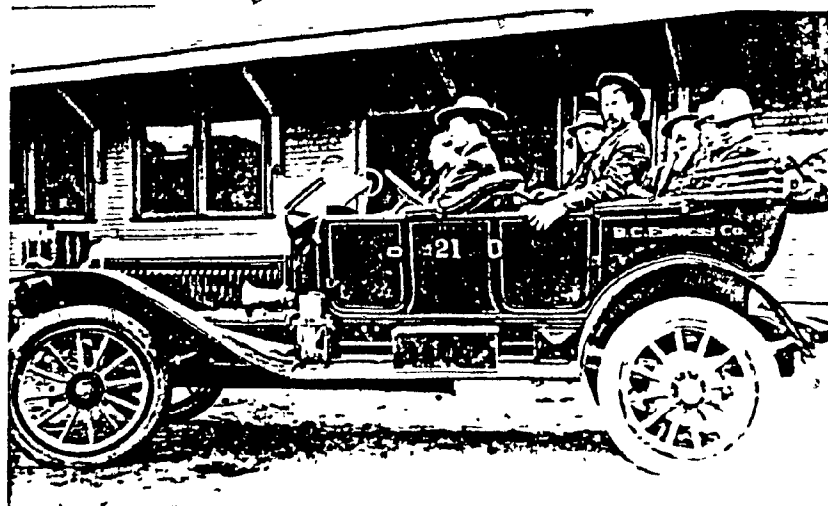
Freight wagons on the Cariboo Road before the arrival of the railway. Source: Public Archives of B.C.





British Columbia Express Company stage coach

Source: Public Archives of British Columbia



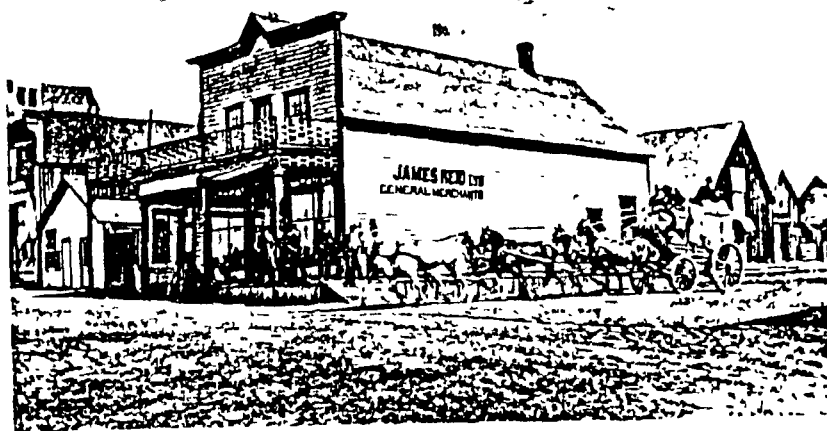
End of the stage coach era--an early automobile on the Cariboo Road

Source: Public Archives of British Columbia



Quesnel's main street and business district, circa 1900

Source: Public Archives of British Columbia



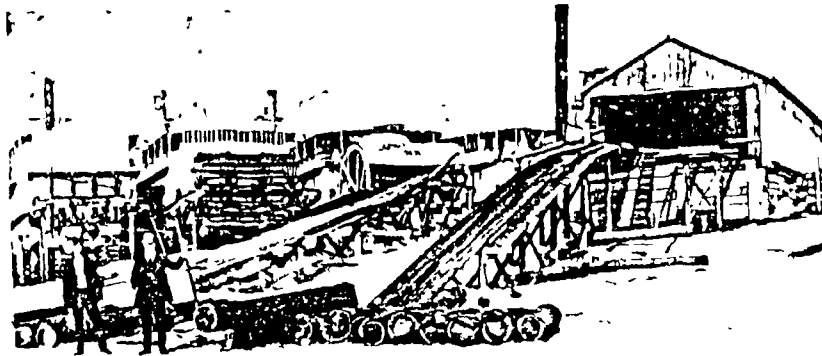
Quesnel's largest general store, circa 1910

Source: Public Archives of British Columbia

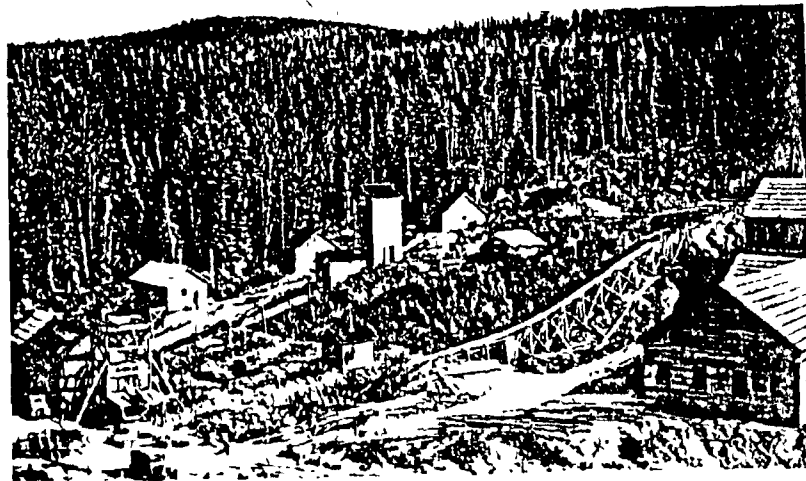


Pack train moving north on Quesnel's main street, circa 1915

Source: Public Archives of British Columbia



Reid Estate sawmill at Quesnel, circa 1910  
Source: B.C. Outdoors



Small lode mine near Quesnel, 1930's  
Source: Hixon Women's Institute



Placer-mining during the Great Depression  
Source: Hixon Women's Institute



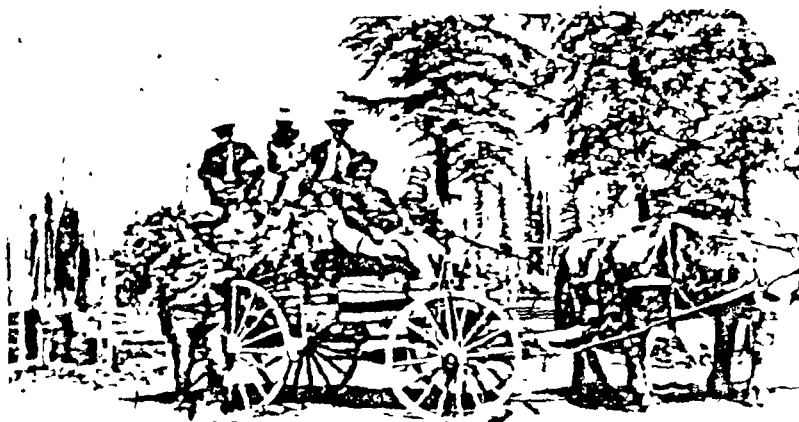
Settlers' Homes near Quesnel

Source: Bouchie Lake Women's Institute



Haying

Source: Ron Callis



Settlers going to town

Source: Ron Callis



Gardening

Source: Ron Callis



Hunting

Source: Ed Zschiedrich



Settlers building with logs

Source: Ed Zschiedrich

CHAPTER II : MERCHANTS--THE BASIS OF THEIR DOMINANCE, 1908-1921

In the theoretical part of the introduction to this thesis, it was stated that the logic of merchant capital causes it to exhibit a set of general tendencies wherever it exists. Buying prices are driven downward while selling prices are forced upward, and the need to buy and sell as much as possible is expressed by efforts to increase the extent of effective demand and speed up the rate at which capital is turned over.

The forms which these tendencies took in the North Cariboo depended on a variety of factors, which are considered in this and the following chapter. Past experiences inevitably conditioned judgments about what was possible and desirable; whenever collective action was taken, it normally took place within the legal and institutional channels characteristic of the larger society. Conditions peculiar to this particular geographical location also influenced the choice of priorities when decisions were made about where organizational energy was to be directed, as this and the following chapter demonstrate.

The North Cariboo merchants were at all times limited by their subordinate position relative to large capital, whether mercantile or industrial, and the state at the provincial and national levels. For example, it was impossible, no matter how well-organized they might have been, to influence significantly the level of wholesale prices in the major urban centres. These costs were the major component of each merchant's overall costs. Transport costs, however, could perhaps be lowered to some extent by agitating for improvements in transportation. In the political sphere, no one elected representative could alter government policies to make them serve every need of the local merchants, although

significant benefits could occasionally be obtained. In short, the 'form of the imperial linkage', to use Naylor's term, imposed severe restrictions on the scope of the merchants' strategies and perpetuated their dependence on the metropole.

The inability of the merchants to manipulate effectively the larger socio-economic environment in their own interests had far-reaching implications for other people in the Quesnel area. In time the merchants came to dominate most aspects of social life in the region, because it was in this way that they could obtain results in their pursuit of particular objectives. Energy that could not be directed outward was directed inward, leading to the formation of new institutions, shifting alliances between and within classes, and the emergence of certain merchants as 'community leaders'.

This chapter is an examination of the basis of the merchants' dominance. Their economic role is related to the structure of the local market, and their political dominance is described with reference to the patronage system and issues related to the railways. The following chapter analyzes some objectives sought by the merchants, and the ways in which they manipulated the local society and economy in accordance with these objectives.

### II.1 Components of the Local Market

The extent of effective demand in the local market was always of immediate concern to the merchants. The local market consisted of three components, the size of each being determined by different factors. One component was created by the agricultural settlers, whose numbers increased gradually over the years, and who required consumer goods, building



materials and means of production such as machinery, seed grains and tools. In the short term, sporadic bursts of railway construction activity and related transportation of goods and people generated demand for goods and services on the part of contractors, construction workers, and the companies and workers involved in transportation. In addition to this, government-funded public works projects, primarily road-work, periodically created a demand for various kinds of materials and supplies and increased the purchasing power of workers employed by the government.

In effect, these three market components existed side by side, each functioning according to its own logic. The settler market depended on the size of the agricultural population and the extent of its effective demand for commodities. Railway construction activity fluctuated wildly, as the previous account of the history of the P.G.E. has indicated. Government expenditures on public works were determined by the amount of money available to the provincial government in any given year, and the selective allocation of those funds to different areas according to the balance of political forces at the local, regional and provincial levels at the time.

## II.2 Transient and Established Merchants

Because uncertainty was the norm, there was more than one 'rational' strategy that a merchant could adopt. If the 1908-1921 period is viewed as a whole, two major kinds of strategies are apparent: short-term enterprises utilizing a high-risk situation in which demand for specialized goods and services was likely to be great; and long-term enterprises geared to a broader market which was thought to be more predictable and stable. These strategies took a concrete form in the emergence of two identifiable groups

within the merchant class; it should be noted, however, that the distinction between them can never be precisely made. Movement from one group to the other and some overlapping of functions did exist.

The merchants involved in short-term enterprises did not constitute a coherent group. Their transience was one of their outstanding characteristics, and prevented them from becoming a part of the merchant 'establishment'. In fact, with the exception of brief mentions in the Cariboo Observer, little precise information about their activities is available, but it is clear that most of them arrived shortly before each period of construction activity and left shortly after.

On the whole, the transient merchants tried to capture a particular short-lived market--the railway construction workers, who were also transient. This fact probably accounts for the apparent lack of competition and animosity between the established and the transient merchants, as well as the kinds of goods and services which the transients offered for sale. As early as 1912, when the Pacific Great Eastern Railway was first incorporated, the first of these short-lived merchant enterprises sprang up in Quesnel. The trend reached its first peak in the spring of 1914 when the Cariboo Observer reported that a "lot of construction labourers, mostly foreigners, have arrived here this week, coming in from the Lillooet district."<sup>1</sup> During the summer of that year tents were scattered around the town, and unemployed men wandered the streets searching for jobs. Those who were employed in clearing and grading the right-of-way crowded into town after work and on off-days in search of excitement and relief from the monotony of camp life. These labourers, whether employed or unemployed, had particular needs which were met by the transient merchants in their rented

premises or hastily thrown-together shacks. In 1914 Quesnel had a total of 55 businesses of various descriptions, compared to 15 in 1908.<sup>2</sup> Most of these were unproductive--that is, engaged in buying and selling rather than production. Of the 55 establishments in 1914, at least 18 consisted of restaurants, boarding houses, barbers, photographers, tailors, news stands, shoe repair shops, pool halls, laundries and the like, which probably gained most of their revenue from the construction labourers. A number of others, namely the hotels, general stores, butcher shops, bakeries and jewellers, were supported at least in part by the construction workers.

By early 1915 virtually all railway construction work in the Quesnel area had stopped--not because it was completed, but because of the P.G.E.'s shaky financial position. The labourers moved on, businesses began to disappear, and their owners moved on as well. Grenier's Bon-ton Fruit and Confectionery Store, the Sunlight Laundry, Rihm and Gleason's boarding house, the Saint Paul Cafe--these and many others vanished as quickly as they had appeared. From 1914 to 1919 the number of business establishments dropped from 55 to 25 (see Figure 8).

A second railway construction boom hit the area in the spring of 1920, after the provincial government had nationalized the bankrupt P.G.E. Construction resumed, the labourers flocked in once more, and a new crop of stores, restaurants and service establishments sprang up. In number and kind they were virtually identical to those of 1914, and again their owners were outsiders who were determined to make a quick profit and then move on. By 1921, when construction was nearing an end, the exodus was underway once more.

The transient merchants came to Quesnel for economic gain, pure and

simple. Exchange of commodities was their sole concern, and they seem to have had little time or inclination to become involved in politics or the social whirl of the local elite. Because they aimed at a special kind of consumer with particular kinds of wants, and because their market was very short-lived, there was nothing to be gained by investing in land and permanent buildings or making any other kind of long-term commitment to the region.

The merchants who did make a long-term commitment to doing business and living in the Quesnel area had more complex interests and adopted very different strategies. Not only were they concerned with buying cheap and selling dear, they were determined to buy and sell as much as possible for as long as possible. Of the three market components mentioned earlier-- railway construction, agricultural settlers, and government expenditures-- the second two were of particular interest to the established merchants for two reasons: demand from these quarters was more consistent and predictable, and careful manipulation could sometimes increase the volume of this demand.

Other factors were also conducive to long-term commitment. Some of the merchants in this category had a great deal of capital tied up in stores, warehouses, means of transportation and land. The length of time required to amortize these investments could be very great--in any case, much greater than that required by someone who, for example, rented premises, bought some simple fixtures, and went into business selling meals to construction workers.

A second factor which deserves consideration is that most of the established merchants were family men--for various reasons families were much less mobile than unattached individuals. Consequently the established

merchants had, by choice and by necessity, a particular set of values and attitudes which suited their roles. J.G. Hutchcroft, editor of the Cariboo Observer and always a vigorous protagonist of the merchants, appears to typify the world view of the dedicated Quesnel merchant and community-booster:

The best way to build up a city is for each and every man in it not to strive to rend and tear it down. Whenever a man in the town is doing well do not try to tear him down. All the residents of a town are partners not opponents. In all likelihood the more business done by your rival the more you will do. Every gentleman who treats his customers honestly, courteously and fairly, will get his share, and the more business that can be secured by united effort the better it will be for all. When a town ceases to grow it commences to die, and the more the people try to kill off each other in their business and good name, the more rapidly will utter ruin come to all. Stand together for the advancement of every citizen.<sup>3</sup>

Many of Hutchcroft's editorials embody the kind of values which he summarized for his readers in 1910:

My rule for success is untiring application, loyalty to one's employer, which is loyalty to one's self, doing the best you can in every task that faces you, practicability, initiative, and industry.<sup>4</sup>

The pervasive commitment to 'sticking it out' was further reinforced by the development of networks of friendships, business relationships and inter-family ties, and by sentimental attachment to place and satisfaction at being regarded as community leaders.

Of all these considerations, the possibility of managing the volume of consumer demand and government expenditures appears to have been the most important, and it was in the course of this manipulation that the merchant class emerged as a more or less coherent interest group. Indeed, organization for the pursuit of common interests took place because individual merchants saw it as a means of pursuing individual interests, a

contradictory situation which occasionally resulted in conflict when collective and individual interests diverged.

### II.3 The Railway Lobby

The key element in the long-term expansion of the market was, of course, the railway which everyone was certain would arrive sooner or later. Virtually all the merchants, and the new homesteaders as well, had staked their futures on this eventuality. Consequently efforts to lobby for a railway were consistent and well-organized; all political, social and economic differences were laid aside whenever it became necessary to close ranks in defence of the North Cariboo's right to have a railway. To understand the intensity of feeling surrounding this issue, it is necessary to realize that in 1908 railways represented a tremendous potential reduction in freight costs over horses and oxen, the only other viable means of transportation in the North Cariboo at the time. Railways had provoked the huge mining operations in the Kootenays. People in the North Cariboo were well aware of this, and they knew that without a railway none of their region's resources could be exploited to a significant extent.

The merchants invariably took the lead in efforts to demand a railway connection to Edmonton via Prince George, and later on to Vancouver. An important vehicle for these demands was the Cariboo Observer. The newspaper faithfully reflected and repeated the positions taken by the merchants with respect to railways. Numerous editorials harped on the issue, alternately reassuring readers that it was only a matter of time until a rail line reached Quesnel, scolding the government for dragging its feet on the issue, and chastizing local residents for not pursuing the issue vigorously enough.

In addition to the influence of the Cariboo Observer, political involvement at the provincial level was another important mechanism for obtaining a railway line. If the 1908-1921 period is taken as a whole, federal political issues (with the exception of the war effort) generated little local interest or involvement in comparison with the evolution of railway and land policies in the provincial sphere. The positions of the Conservative and Liberal parties with respect to railways in general, and the Grand Trunk Pacific and Pacific Great Eastern in particular, were of decisive importance in determining the outcome of Cariboo election campaigns.

It was noted earlier that the Grand Trunk Pacific Railway was generally regarded by the people of British Columbia as a creation of the federal Liberal Party. For the electors of the Cariboo, it was that and more. A great deal of anxiety stemmed from the slow rate at which construction work was progressing and from uncertainty about the precise location of the main line, the hoped-for branch line to Quesnel, and the location of stations. It must be remembered that this railway was passing through largely unsettled territory--this fact, combined with the railway company's interest in extracting a profit from townsites and agricultural land, meant that the Grand Trunk Pacific could virtually dictate the settlement pattern. To aggravate the problem, an ongoing struggle between British Columbia's McBride government and the federal Liberals over constitutional rights and division of powers between the two levels of government eliminated the possibility of putting pressure on the Laurier Liberals via the provincial government.

The net result of this situation was the election in 1907 of two Liberals--John Yorston, a local farmer, and Harry Jones--to the provincial

house, presumably as an indication that the electors of the Cariboo did not support McBride's apparent caution with respect to railway policy and that they did support Laurier's policy regarding the Grand Trunk Pacific. Another Liberal, Duncan Ross, represented Cariboo in the federal house after 1903. But by 1908, dissatisfaction with the Liberals had grown to the point where Duncan Ross was defeated by a Conservative, Martin Burrell, in the federal election in November of that year. One year later the same thing happened during the provincial election--Yorston and Jones were replaced by Conservatives John A. Fraser, a Quesnel merchant, and Michael Callanan, an Irish physician practicing in Barkerville. In both elections, railways were the major local issue.

Following the 1911 federal election, in which Laurier was defeated by a Conservative landslide, Cariboo was represented by Conservatives with a voice in both federal and provincial governments. Although the Grand Trunk Pacific had announced by this time that no branch line would be built to Quesnel, it seemed only a matter of time until another railway company undertook the task of building a north-south line through the interior of the province. McBride's government wanted such a line, the Vancouver merchants needed it to prevent the northern part of B.C. from falling under the dominance of Edmonton, and the settlers and merchants of the interior left no doubt in the minds of anyone who would listen that they wanted it too. The time was right for the people of the North Cariboo to reap the rewards of their 'correct' political decisions.

But by the time construction of the Pacific Great Eastern Railway was actually underway, it slowly became apparent that Fraser, the local Conservative M.L.A., did not actually have much political clout in deter-



mining the exact route of the railway. This was made clear during the protracted controversy about the location of the Quesnel railway station. In the middle of April, 1914, Fraser announced that he had persuaded the government to hold an auction of government lots in the townsite of Quesnel on May 14.<sup>5</sup> Immediately the recently-formed Board of Trade appointed a committee to investigate potential P.G.E. station sites. Members of the committee were Conservative supporter E.L. Kepner, owner of Quesnel's better hotel and a considerable amount of land in the town; A.W. Cameron, manager of the Quesnel branch of the Northern Crown Bank and owner of land in Quesnel; J.L. Hill, insurance agent, president of the Cariboo Central Conservative Association, and secretary of the Quesnel Conservative Association; John A. Fraser, Quesnel's largest merchant, M.L.A., and landowner; and W.T. Ewing, farmer, butcher, and the token Liberal on the committee (see Figure 9). The land sale was duly held, several merchants bought lots, and the station site committee promptly recommended that the station should be located east of the business district in the area where most of the newly-sold lots were located (see Map 3).<sup>7</sup>

The next step was to persuade the P.G.E. that the rail line should pass through Quesnel and that the station should be built at the suggested spot. This task was left to Fraser. A year later, in the summer of 1915, he still had not been able to extract a firm commitment from either the P.G.E. or the government, and the Cariboo Observer complained that the citizens of Quesnel had not given him sufficient support--a roundabout way, it seems, of shifting the blame away from Fraser and the Conservative government.<sup>8</sup> In July the railway company announced that it intended to bypass the town completely--it later turned out that it wanted to townsite

District Lot 77 on the opposite side of the Quesnel River (see Map 3).<sup>9</sup>

The Board of Trade leapt into the fray with renewed vigor. A subscription list was circulated to raise money so that an independent engineering firm could be hired to investigate the validity of the engineering problems that the P.G.E. was using to justify bypassing the town. After the engineer's report was submitted, the Board of Trade demanded of the provincial government that it force the P.G.E. to alter its plans because the through-route was technically feasible.<sup>10</sup> It was added that investors had purchased \$26,000 worth of lots in the government auction, and it would be more than disappointing for them to find that their land was to lose value. But the government refused to use its influence, despite the fact that the demands were coming from a Board of Trade dominated by local Conservative activists. Even the normally supportive Cariboo Observer's mild criticisms of the Conservatives did not seem to make the government take notice.

During the election campaign of 1916, when the Conservatives were led by Bowser rather than Richard McBride, the major local issue was, of course, the bankrupt P.G.E. Bowser, apparently unable to read the mood of the electorate, came to Quesnel and made the mistake of not promising a railway station. Liberal leader Brewster, on the other hand, did not hesitate to make the correct promise.

A conspicuous lack of pro-Fraser editorials in the Cariboo Observer at the time, following on the newspaper's slightly pro-Liberal stance during a premature campaign in 1915, indicates that Fraser may have voluntarily given up the political race in order to ensure that the Cariboo was not left out in the political cold after a province-wide swing to the

Liberal Party. Another possible explanation is that dissatisfaction among local Conservatives, after the government's rejection of the demands for a railway station, undercut Fraser's support to the point where the editor did not think it wise to support him. Whatever the reason, the electorate, encouraged by Liberal victories in several by-elections in the spring of 1916, switched its support to the Liberals. In September of 1916 John Yorston, Liberal, was elected in Cariboo, despite Bowser's last-minute promise of a railway station for Quesnel.

Once again, the future looked good. It was expected that the new Brewster government would resurrect the P.G.E. and hasten the completion of the line to Quesnel and on to Prince George. And Quesnel had been promised a station. But even before the election recount had been completed, the government shocked everyone by changing its mind about the railway route and announcing that Quesnel would be by-passed due to unexpected technical problems at Rich Bar, or Mud Hill, just south of Quesnel. A storm of protest forced John Oliver, Minister of Railways, to have the line investigated once more in January of 1917. Still no final decision was made. After yet another investigation in July of 1917, the question was still unresolved. And so it went on, with Oliver apparently in no hurry to designate a station site on a railway that was still many miles to the south. Finally, in accordance with the principles of frontier politics, 'Honest John' Oliver, now the premier, made a personal visit to Quesnel to choose the final route and station site just before the election of 1920. The voters, mindful of the Liberals' about-face several years before, and aware of the fact that the railway line was still far enough away for Oliver to do the same thing again after the December election, had little

choice but to re-elect Yorston. This they did, but with a reduced majority.

The preceding account clarifies a point made earlier: throughout the 1908-1921 period, political activities at the local level hinged almost entirely on the railroad question in its many forms. Not only the outcome of elections, but the well-being of local political organizations, the unimportance of federal politics in comparison with provincial politics, and the extent and division of patronage (a point to be elaborated later), all these were at least coloured by, if not determined by, the politics of railways. And inevitably, whenever organized effort became necessary, or when demands were made of the railway company or the government, the leadership came from the merchant class because it depended more than any other group on the arrival of a railway for its economic survival.

#### II.4 Political Patronage

The political patronage system was used by the North Cariboo merchants to direct government expenditures toward themselves, and at the same time provided a means to reinforce the dependence of other groups on the merchants. Although the precise nature and extent of patronage at the time is difficult to document systematically, its existence is beyond question. Because it was such a pervasive feature of political life in British Columbia during the late 19th and early 20th centuries, it was inevitable that particular cases should be recorded, and it is on the basis of these particular cases that some understanding of the role of patronage in the Quesnel area can be gained.

From the point of view of Quesnel merchants, government expenditures represented a significant source of revenue if ways could be found to channel

it toward themselves. To ensure that this happened, two conditions had to be created. First, the representative to the provincial legislature elected by residents of the Cariboo had to be a government member, because a wrong choice on election day was certain to be punished by those who controlled the funds in Victoria. Second, if a government member was successfully elected, the potential for patronage was further improved by ensuring that the Cariboo member came from, and had business interests in, the village of Quesnel rather than in some other part of the constituency.

From 1909 through the remainder of the 1908-1921 period the Cariboo consistently returned government members to the provincial house. Although the merchants comprised only a fraction of the voting population, their influence far outweighed their numbers because they dominated the local Conservative Party association, controlled the editorial policy of the Cariboo Observer, were most able to contribute to campaign funds, and were in a position to threaten with sanctions individuals who publicly criticized the wrong party or candidate.

Most merchants were staunch Conservatives, and when a Conservative government seemed imminent they actively worked on behalf of their candidate. At other times, as in 1916 when the P.C.E. scandal virtually ensured the election of a Liberal government and Premier Bowser was unwilling to promise that the railway would pass through Quesnel townsite, the Conservatives mounted only a token campaign. The Cariboo Observer, for instance, criticized Bowser and gave Yorston, the Liberal candidate, more publicity than incumbent Fraser. In other words, it supported Yorston without being critical of Fraser or undermining the Conservative Party organization, of which the editor was a key member. During the campaign of

1920 the Conservatives again kept a low profile, and Yorston was re-elected as part of a majority government.

In addition to ensuring the election of members of the legislative assembly who were on the government side of the house, the Quesnel merchants tried to increase opportunities for patronage by making sure that the successful candidates lived in or near Quesnel. Again, the merchants were not alone in this effort--other members of the local Conservative or Liberal organizations could benefit as well. Because most Quesnel merchants were Conservatives, their major efforts were directed at domination of the Cariboo Central Conservative Association. Within the Liberal Party, Quesnel area farmers pursued a similar strategy, but apparently with less vigour.

A complete record of position-holders on the executive of the Cariboo Central Conservative Association during the 1908-1921 period is not available. But by piecing together information provided by the Cariboo Observer it becomes clear that in every year for which a record exists (1909, 1912, 1913, 1917 and 1920) all or most of the Association's officers were from Quesnel, and in two other years (1915 and 1916) the most influential position, the presidency, was held by a Quesnel resident. There is no reason to believe that the locus of control was different in the years for which no records exist. Control of these executive positions gave the Quesnel merchants in general, and the Quesnel Conservative Association in particular, an advantage in choosing candidates, maintaining links with the leaders of the British Columbia Conservative Party, and directing election campaigns. This advantage enabled John A. Fraser of Quesnel, who was president of the Cariboo Central Conservative Association in 1909, to be elected to the legislature late in the year, re-elected in 1912, and to run unsuccessfully

against Liberal John Yorston in 1916 and 1920.

Once a Quesnel resident had been elected as a government member, the patronage system began to operate through the successful political party. But the extent of its impact varied according to circumstances. Patronage in the North Cariboo was most widespread from 1909 to 1916 for two reasons-- the economic boom which began to taper off in 1913 meant that more government funds were available during these early years as compared to the latter part of World War I and its aftermath; and after 1916 the Liberal government, which had been elected partly on the basis of its anti-patronage and anti-corruption stance, was much more cautious than the Conservative Party about the way in which favours were dispensed. Consequently it was during Fraser's term of office that financial rewards for political service were handed out most frequently and most openly.

These rewards took several forms, one of which was the manipulation of supply purchases by road camps and other government agencies. In March of 1915 J.G. Cowan, a Quesnel hardware merchant and Conservative, complained to the Quesnel Conservative Association about:

...the apparently unfair division of the patronage in this district, and quoted figures showing that J.A. Fraser & Co. had received more than the lion's share during the past two seasons, during which time... [Cowan] had been in business here....He...thought there should be an equal division among the merchants who were members of the party.<sup>11</sup>

More than a year later an unnamed merchant wrote to the Deputy Minister of Public Works inquiring about the division of patronage in Quesnel. The Deputy Minister's reply was published by the Cariboo Observer, and it indicated that almost a third of the expenditures during the 1915/1916 fiscal year had gone to J.A. Fraser & Company, with the total expenditure amounting to \$3,406.27 (see Figure 10).<sup>12</sup> Considering that 1915 and 1916

were years when government expenditures were relatively low, this amount nevertheless represents a significant portion of total retail sales in the Quesnel area.<sup>13</sup>

Another way in which government expenditures passed through the hands of some merchants was in the form of rent. Although most were concerned solely with the exchange of commodities, revenue in the form of rent was significant for several, particularly Edward Kepner, owner of the Occidental Hotel. When Barkerville's government office was moved to Quesnel just after Conservative Fraser's re-election in 1912, Kepner began construction of an office block immediately after the announcement was made.<sup>14</sup> It was known from the outset that the government would rent this building--this is significant because Kepner, a member of the Quesnel Conservative Association, had been providing free meeting space for the Association and had been one of Fraser's most influential supporters during the election campaign. Kepner was rewarded by the government's decision to rent his premises rather than constructing its own.

The patronage system extended into the construction contracting field as well. During the years from 1909 to 1916 when the Conservatives were in power, a builder named Harry Joyce overshadowed all others by getting a huge \$22,000 contract for the provincial government's court house, as well as indirect government contracts such as a school and the office building rented by the government from Kepner.<sup>15</sup> In addition to these, he got virtually every contract let by Kepner and Fraser--probably Quesnel's wealthiest merchants during this time--and local contracts from the British Columbia Express Company and the Pacific Great Eastern Railway, both intimately linked to the Conservative Party.<sup>16</sup> After the election of the



Liberals in 1916, most government contracts were awarded by tender, and Joyce became much less active.

The allocation of government jobs was another significant element in the patronage system. It was normal practice to fill vacant positions with supporters of the party in power. Not only were party supporters rewarded in this way, but the possibility of losing their jobs usually guaranteed their future support.

Criticism of this system was frequent, particularly during the years when government jobs were increasing in number, and it was usually directed at the Conservatives because they were in power at the time. In July of 1911, for example, the Cariboo Observer reported that complaints had been aired at a Quesnel Liberal Association meeting about the fact that Conservatives were getting all the provincial government jobs, and the Board of Trade (dominated by Conservatives) was accused of anti-Liberal feelings as well.<sup>17</sup>

But the Conservatives stubbornly defended their control. Sometimes one job controlled more than one vote, as events during 1912 demonstrate.

In January a man named Elmore Wells wrote to the Quesnel Conservative Association asking for the job of ferryman on the Fraser River ferry.<sup>18</sup>

But a provincial election was approaching, so Wells and all other aspirants to the job were not given an official reply, presumably so that they would

behave 'correctly' during the campaign. Immediately after the election the job went to a man named Stevens.<sup>19</sup>

As a further illustration, in 1914 a job in the deputy assessor's office was given to Percival Foot, a relative of C.S. Foot, who was on the executive committee of the Quesnel Conservative Association.<sup>20</sup>

In February of the same year Harry Vaughan, a brother of

A.S. Vaughan, got a job in the same office.<sup>21</sup> A.S. Vaughan was a real estate agent, long-time Conservative activist, and secretary of the Cariboo Central Conservative Association.

Temporary jobs in government road work were allocated in the same way. A short-lived column entitled 'Random Notes' appeared in the Cariboo Observer in 1915 while the editor was in a somewhat critical mood. Its anonymous author raised the issue of employment in road work, pointing out that the local Conservative Association rather than the Road Superintendent had complete control. The writer went on to say that:

...the Association being composed more or less of business men, the temptation is to get a job for the man who is most indebted to them, and thus stand a chance of their accounts being settled. I do not say that this is done here, but the system lends itself to such an abuse.<sup>22</sup>

To farmers and others who depended on seasonal road work this method of hiring made it difficult to speak out openly against real or perceived abuses, and it was only rarely that any criticism of the patronage system appeared in the Cariboo Observer.

In summary, the merchants who exercised the most influence were those who had made a long-term commitment to living in the North Cariboo. Of these, the Conservatives were the most prominent, mobilizing support for their efforts to speed up railway construction and determine the location of the line. A small group of Conservatives achieved the status of 'leaders' who directed the activities of local organizations like the Board of Trade and dispensed patronage in ways which gave them material rewards while continually reinforcing their power over the rest of the population.

FOOTNOTES--CHAPTER II

1. Cariboo Observer, April 11, 1914.
2. Data on the composition of the 'business community' in Quesnel were taken from various issues of the Cariboo Observer and scattered other items. Information gleaned from advertisements and news stories was pieced together to get an overview of the kinds of enterprises which existed, ownership patterns, and changes over time.
3. Cariboo Observer, June 4, 1910.
4. Ibid., December 24, 1910.
5. Ibid., April 18, 1914.
6. Ibid., April 25, 1914.
7. Ibid., May 16, 1914.
8. Ibid., May 1, 1915.
9. Ibid., July 31, 1915 and May 13, 1916.
10. Ibid., February 26, 1916.
11. Ibid., March 13, 1915.
12. Letter from Deputy Minister, British Columbia Department of Public Works, to unnamed Quesnel resident, as reproduced by the Cariboo Observer, May 27, 1916.
13. No data exist from which annual retail sales of individual merchants or all the merchants can be determined. But to put the figure of \$3406 into perspective, the Cariboo Observer's report on the fire which destroyed several businesses in January of 1916 is useful. John A. Fraser & Co., the largest general store, lost its entire stock valued at \$24000; the largest hardware dealer, the Cowan Supply Company, had stock valued at \$6000; and the building and contents of the Bank of British North America were valued at \$4500. (Cariboo Observer, January 22, 1916).
14. Cariboo Observer, September 7, 1912 and September 14, 1912.
15. Ibid., May 10, 1913 and January 10, 1914.
16. The connections between the P.G.E. and the Conservatives have been outlined in Chapter I. The relationships between the Conservative Party and the British Columbia Express Company is discussed in Willis J. West, "The 'B.X.' and the Rush to Fort George", British Columbia

Historical Quarterly, Volume XIII, 1949, pp. 129-227.

17. Cariboo Observer, July 1, 1911.
18. Ibid., January 13, 1912.
19. Ibid., April 13, 1912.
20. Ibid., April 11, 1914.
21. Ibid., February 28, 1914.
22. Ibid., May 8, 1915.

### CHAPTER III : MERCHANTS--MANIPULATION OF THE LOCAL ECONOMY, 1908-1921

Some of the immediate consequences of the merchants' dominance are investigated in this chapter. Their survival depended on more than the arrival of the railway and their success in capturing and exercising political power--in a sense these were only preconditions which would bring about economic growth and allow the merchants to benefit from growth. A number of other ongoing efforts to shape the region's development in accordance with the merchants' needs are categorized here as efforts to maximize effective demand, attract investments from outside, and minimize costs--this categorization reflects the objective role of merchant capital in the local economy and seeks to relate individual and collective actions to the fundamental characteristics of merchant capital.

#### III.1 Maximizing Demand

##### Promotion of Agricultural Settlement

A large portion of the demand for goods offered for sale by the merchants came from the agricultural settlers. One objective of merchant-dominated collective action during the 1908-1921 period was the maximization of permanent agricultural settlement in the area, a goal which was pursued in several ways. Perhaps the most important means of attracting settlers was by spreading information to make the Quesnel area as attractive as possible to potential homesteaders, wherever they might be. The Cariboo Observer was an important tool in this respect, as indicated by the newspaper's content as well as the self-congratulatory tone of the editor's occasional reports that Quesnel's own newspaper was being read in far-off

places like Ontario and Oregon. Hard facts such as lists of services available in the Quesnel area appeared from time to time in the paper, but usually the editor's 'boosterism' consisted of monotonous repetition of the view that in the North Cariboo "every man can be a landowner and with industry, perseverance and enterprise, combined with capital, will reap a rich reward."<sup>1</sup>

A second vehicle for the spread of information was the Board of Trade, the predecessor of Quesnel's present-day Chamber of Commerce. In fact, the Board came into existence partly because of the need for an organization which could perform such a function.<sup>2</sup> Evidently it was a common practice for information-seekers who did not have local contacts to simply write to the Board of Trade in the settlement which interested them. Consequently it seems logical to assume that those places which did not have a board lost settlers to those places which did. After its formation during March and April of 1910, the Quesnel Board of Trade periodically compiled statistical information of various kinds, and in 1913 and 1914 it conducted a crude population census.<sup>3</sup> These data proved useful when inquiries were addressed to the Board.

An alternative to the direct dissemination of information was collaboration with the land companies which were actively advertising their holdings in the central interior.<sup>4</sup> The promotional activities of companies like the Natural Resources Security Company dwarfed the efforts of the Cariboo Observer and the Quesnel Board of Trade, and consequently the newspaper developed a rather positive attitude toward land companies in general.

The Cariboo Observer began its existence by attracting advertising revenue generated by land-staking in the central interior, and had a

succession of owners who were connected in various ways with the Natural Resources Security Company. In the spring of 1911 the government reserved all land in the Cariboo Land Recording District for pre-emptors only, which virtually eliminated land pre-emption notices as a source of revenue for the newspaper. Editor Hutchcroft complained vigorously, and for a time it appeared that the paper faced bankruptcy, but local hotel owner Edward Kepner bought the company and Hutchcroft stayed on.

Throughout the 1908-1921 period the Cariboo Observer consistently defended the land companies and argued that they would do wonders for the settlement and development of the North Cariboo. For example, in October of 1909 an unnamed company was apparently staking land in the Quesnel area, prompting editor Daniells to comment that:

Mr. Dutcher is here hunting up locations for a number of settlers, which his company intend to bring in next spring. There seems to be some jealousy shown from old residents at seeing the land located in this manner. It is our opinion that if Mr. Dutcher or anyone else can put settlers on the vacant lands which have so long lain idle he is welcome to do so and deserves every encouragement.<sup>5</sup>

There appear to be at least three reasons for the paper's support of land speculation. First, if the land companies could bring in settlers the newspaper's circulation would increase, improving its owner's financial position. Second, while Kepner owned the paper there is no doubt that the editor faithfully reflected his views, and Kepner's views were those of a land speculator--he had extensive landholdings in Quesnel townsite.<sup>6</sup>

Before Kepner owned the paper, and after Hutchcroft bought it in 1916, the editorial policy was the same because Hutchcroft's world view was similar to that of the other merchants: he was a Conservative, a Board of Trade activist, a Quesnel booster with an immense faith in the area's future, and a friend of the most powerful merchants. There was no reason for him

to oppose them in their pursuit of particular goals, and every reason for him to support them.

#### Making Settlement Permanent

In general, the direct spread of information and the merchants' collaboration with land speculators were intended to attract settlers. But this was not enough. Measures had to be taken to ensure that the settlers actually stayed, despite the hardships of the pioneering life. This concern was expressed in two basic ways, both of which were usually orchestrated by the Board of Trade and the Cariboo Observer.

First, efforts were made to create an image of the region as a whole, and particularly of the village of Quesnel, as a stable, harmonious community which was rapidly developing into a major settlement. The Cariboo Observer's editorial policy was clearly formulated to inspire confidence in the North Cariboo's future and encourage optimism and perseverance. For example, the editor periodically ridiculed and criticized the local 'knockers'. Their objections were never spelled out in detail, but the frequency of the editor's rebuttals suggests that there must have been a considerable number of them. In addition to discrediting critics, the virtues of hard work and patience were frequently praised as good substitutes for the capital which most agricultural settlers lacked. The logic behind this propaganda appears to have been the assumption that repetition of an argument eventually brings belief, even when evidence to the contrary is known to most people. The manner in which news coverage was presented also reflects the desire to foster optimism and confidence. The arrival of new settlers, the opening of a new business, the discovery of a mineral deposit, the construction of a



road, all these received a great deal of attention. But there was little coverage of events which indicated failure or decline.

In addition to these efforts to create a particular mood or state of mind, measures were taken to give Quesnel the physical appearance of a solid, respectable, thriving village rather than that of a frontier settlement. Here the Board of Trade took a leading role by collecting money to build a hospital, organizing a volunteer fire brigade, lobbying the provincial government's Department of Public Works to maintain the streets and sidewalks in the town, urging the police to close the brothels and gambling houses that accompanied the railway construction camps, and pressuring the government to establish a pound district in Quesnel so that livestock would not roam the streets.<sup>7</sup> Most of these projects remained small in scope because the Board had limited financial resources and no real authority, but they appear to have been effective to some extent in preventing Quesnel from taking on the rough-and-ready character of places like Barkerville.

In addition to fostering optimism and creating the appearance of stability so that settlers would be less likely to become dissatisfied and move on, efforts were made by the merchants to 'improve' agriculture in the area. Many of the new settlers had no knowledge of farming, and even experienced farmers found it necessary to adapt their techniques to the new environment. Consequently all the settlers had a great deal to learn, and the shortage of accurate information about such things as seed varieties, pest control, cultivation practices, and livestock breeding was a severe problem.

Organization was needed to facilitate the exchange of information, and the merchants played a major role in founding various organizations and

guiding them through the difficult formative stages. For example, the Cariboo Agricultural and Horticultural Association was founded in 1912 to hold an annual agricultural fair and exhibition. Members of the merchant elite consistently outnumbered farmers on the Association's executive committee, and other merchants were supportive in terms of donating prizes to be awarded to winners of livestock and produce competitions.

Another organization which tried to spread information to improve farming practices was the Cariboo Farmers' Institute. The Cariboo Observer's report on the first meeting of the Institute in 1915 indicates that the person who got the organization under way was A.S. Vaughan, a real estate agent who was active on the Board of Trade and in the Conservative Party.<sup>8</sup> Vaughan served as the Institute's first secretary and was repeatedly re-elected to the position, at least until the early 1920's when the Institute began to decline and the Cariboo Observer stopped regular coverage of its meetings.

In addition to the organizational efforts of its members, the Board of Trade and the Cariboo Observer also became directly involved in the 'education' of the farmers. Newspaper articles on topics such as the production of ensilage and disease control in dairy herds, demands that the federal government establish an experimental farm in the Cariboo, and the encouragement of visiting 'expert' lecturers all reflected the merchants' concern about the productivity of local farms.

The preceding discussion has identified the means by which the Quesnel merchants attempted to attract agricultural settlers to the North Cariboo, and some efforts which were designed to improve the viability of agriculture and thereby guarantee that the settlers would not become discouraged and move on. The desire to maximize permanent settlement reflects, as pointed

out earlier, an objective need to maximize demand for the commodities and services provided by the merchant class. In other words, the object was to increase the number of consumers in Quesnel's market area and increase their purchasing power.

#### Expanding the Market Area

The need to expand the market also took the form of efforts to increase the physical extent of Quesnel's market area, either by bringing unsettled land into the town's orbit (thereby increasing the likelihood of it becoming settled) or by capturing part of another centre's market area. These efforts were expressed in two forms: political lobbying and pressure to force the government to maintain, improve, and extend the network of roads and trails which radiated in several directions from Quesnel, and attempts to have essential government services located in Quesnel.

Road conditions in the North Cariboo during the 1908-1921 period appear to have provided the basis for innumerable complaints, frequent editorials, and a great many voting decisions. Articles and letters in the Cariboo Observer indicate that the quality of the roads was a permanent concern to both settlers and merchants, to such an extent that it is difficult to find an issue of the newspaper which does not contain items such as a demand that a particularly troublesome mud-hole be filled in, or a congratulatory note saying that the Department of Public Works has finally gravelled a particular street. This concern reflected the material interests of the merchants and the settlers, both of which could only gain from a reduction in the cost of moving agricultural produce to Quesnel and a reduction of the effort required to travel into the town on shopping

expeditions. As in the case of the railway, there was a consensus about the long-term importance of an improved road network, and the merchants took the lead in the ongoing campaign to force the provincial government to act promptly and increase road-work expenditures.

The question of government facilities and services, although not as pervasive as the concern about roads, periodically took on a great deal of importance as well. Demands placed before both federal and provincial governments reflected changing needs as well as changing judgements about what could be successfully obtained. For example, in the spring of 1910, at the height of the land boom and just after the election of a Conservative to the provincial house, the Quesnel Conservative Association and the

Cariboo Observer led a campaign to get a land registry office for Quesnel.<sup>9</sup>

During the summer of the same year the campaign was fuelled by a rumour that Barkerville's land office and government agent were to be moved to Fort George, and in 1912 success was achieved when they were relocated to Quesnel instead.<sup>10</sup> The significance of this development lies not only in the fact that it tended to encourage new settlement in the Quesnel area, but also in the fact that settlers who normally purchased goods in places like Barkerville, Van Winkle, or Soda Creek would tend to turn necessary single-purpose trips to the Quesnel government office into multi-purpose business and shopping trips, thereby drawing trade away from merchants in outlying smaller settlements. Travel by horse and wagon or horse and sleigh was a time-consuming and often uncomfortable activity, and the settlers usually planned each trip carefully. In effect, then, the centralization of government services at Quesnel enhanced the town's central place function and its market area, or the merchants' market, by forcing people to travel greater distances than would otherwise have been necessary.

### The 'Buy-at-Home' Campaign

Finally, one other means of enlarging the market should be noted-- that is, propaganda aimed at the control of consumer expenditures outside the Quesnel area. Strictly speaking, this approach did not enlarge the market--it was intended to minimize the loss of local purchasing power to travelling peddlers and mail order houses. Peddlers sold all kinds of goods, and were particularly active each fall, when they brought fruit from the Okanagan Valley and sold it in bulk to local residents. The merchants did not approve, and the Cariboo Observer repeatedly rushed to their defence in editorials such as this:

A teamster from down the road has been conducting a fair business here during the week, disposing of flour, bacon, eggs, etc. to our citizens. He held a transient trader's license, and although we have no quarrel with him for making his living this way, we think the people of Quesnel should have enough pride and interest in their town to support the merchants who are investing their money here, in preference to a hawker who takes all the money out of the town that he possibly can, and spends as little in it as possible....For the benefit and upbuilding of your town, give these transient traders a scant patronage.<sup>11</sup>

Mail order houses, the largest of which was the T. Eaton Company, were able to provide virtually everything except foodstuffs, and they must have posed a considerable threat to some merchants. For example, in 1918 a Cowan Hardware Company advertisement in the Cariboo Observer made it known that Cowan had a good selection of garden seeds and that his prices were the same as those of the mail order houses.<sup>12</sup> Again the Cariboo Observer defended the merchants by invoking the 'community interest'. Under the heading 'Be Loyal to Your Community', the editor admonished people who bought from mail order houses, and in passing he asked the merchants to stop sending material out of Quesnel for printing services.<sup>13</sup> Apparently price-competition in itself was not effective in preventing purchases from

outsiders, so an ideological sanction had to be invoked to make people feel that they were traitors to the community, when in reality they appear to have been expressing dissatisfaction with the merchants' virtual monopoly in retail sales.

### III.2 Attracting Investment

#### Productive Capital

The market provided by the agricultural sector could, of course, be supplemented or even replaced by other basic economic activities. Mining had once been the mainstay of the regional economy, and known ore deposits were plentiful. The missing ingredient was capital which, if it could be persuaded to invest in the Cariboo, would require supplies from local merchants and put cash into the hands of mine workers and farmers. Consequently efforts by the merchants to revive the mining industry never ceased, although the energy expended in this way never approached that directed at the expansion of agricultural settlement, perhaps because mining investment decisions were not dependent on information that could conceivably be provided by the merchants.

Nevertheless, every new bit of evidence which indicated that some mining company or other might be planning development work was followed attentively and reported in detail by the Cariboo Observer. The paper also devoted a good deal of space to articles and editorials describing the mineral potential of the area in glowing terms in the hope that mining capitalists might be favourably influenced, and it did not hesitate to demand the removal of government mining engineers who made estimates of the Cariboo's gold ore reserves that were considered to be far too low to keep

the mining companies interested.

Another vehicle for mining promotion was the Quesnel branch of the Cariboo Miners' Association, formed some time after World War I. Detailed information about the Association's activities is not available, but it appears that one of its functions was the provision of information to potential investors. The executive of the Quesnel branch included two merchants, a building contractor, the town's only lawyer, and the editor of the Cariboo Observer--none of them were miners in any sense of the word, but all had a vested interest in the expansion of mining in the Cariboo.<sup>14</sup>

#### Merchant Capital

Organized efforts to attract (productive) industrial capital, in this case mining capital, are a well-known characteristic of towns and cities across Canada. These efforts are motivated by a variety of factors, including the desire of the merchant class to expand the market in every way possible. Occasionally a variation on this theme occurs--efforts to attract merchant capital and finance capital.

In the early years of the 1908-1921 period the Quesnel Board of Trade and the Cariboo Observer actively advertised the fact that certain kinds of merchant enterprises were needed in Quesnel. This information usually accompanied the fact-sheets and brochures sent out to prospective settlers, and consisted of lists of specific business opportunities. In February of 1912 the Cariboo Observer published such a list under the heading 'Business ventures which might be profitably entered into'. These included a harness repair shop, a furniture store, a hardware store, a millinery and dressmaking shop, a dairy, a dentist, a light plant, a water works, and a 'white laundry'

(as opposed to a Chinese laundry).<sup>15</sup> A somewhat different approach was used in 1909 when the merchants circulated a petition asking a bank to establish a branch in Quesnel.<sup>16</sup> Four months later the Northern Crown Bank opened its Quesnel branch.<sup>17</sup>

With the exception of the request for a bank branch, the strategy of attracting merchant enterprises appears at first glance to contradict the interests of the class which was pursuing it. But if one considers the particular kinds of functions identified as needing investment, it is striking that none of them duplicate the efforts of established businesses, and that some involve skills which the established merchants probably did not have. Presumably the rapid expansion of the market at this time created a temporary shortage of merchant capital, in the sense that none of the established merchants were able to take advantage of the opportunities they had collectively identified. Existing businesses were being expanded during this time, apparently at a rate which did not leave room for a significant number of competitors to become established. Nevertheless certain kinds of needs were not being met adequately, perhaps partly because the population was not yet large enough to support certain kinds of enterprises, with the result that Quesnel was less attractive to settlers than the merchants wished it to be. Hence, in the interests of creating a 'balanced' retail sector, the temporary campaign to attract merchant capital was undertaken.

### III.3 Minimizing Costs

#### Transportation

It should be noted at this point that a great deal of space in this thesis is devoted to a discussion of the strategies used to expand the



market, while the examination of efforts to reduce costs is relatively brief. This ordering of priorities is a reflection of a concrete reality--that is, the merchants devoted most of their collective attention to the problem of increasing demand for their goods. The problem of decreasing costs to themselves, although it must have caused a great deal of concern, was practically insolvable. Merchants in any small town in British Columbia could do little to influence wholesale prices of goods in Vancouver or Edmonton, because each merchant was only one among many. Consequently wholesale prices, which normally represented the largest single factor in the determination of the cost of a commodity to the merchant, were of necessity regarded as given quantities.

But the free-on-board price of goods at Quesnel--the price paid by the merchants--was not only a function of the wholesale price of the goods. A second major consideration was transport costs, or the value added to the commodities by shipping them to Quesnel. It is this element of total costs which was manipulable to some extent, and efforts were made to manipulate it in several ways.

One approach was the constant pressure directed at the provincial government to speed up the railway construction. This phenomenon has been explained previously, and requires no further elaboration except to point out that the railway also offered the possibility of reduced rates on incoming freight, particularly for bulky goods. The actual effect of the railway on transport costs will be discussed in Chapter VI--at this point we are still concerned with expectations.

Concerted pressure was also used to improve road and water transportation in the hope that this would reduce costs in the short term--that is, until the railway actually arrived.<sup>18</sup> This pressure contributed to the

removal of rocks in the Fraser River which had formerly prevented navigation between Quesnel and Prince George, and the gradual improvement of the Cariboo Road to the south. The actual effect of these developments on transport costs can not be quantified, but it is clear that they played a part in making transportation less difficult.

Occasionally pressure was directed at the transportation companies themselves. In the summer of 1913, the British Columbia Express Company had a temporary monopoly on the Soda Creek to Fort George steamer run, and took the opportunity to try to eliminate the small firms operating automobiles between Ashcroft and Quesnel. Part of the company's tactics involved a large increase in freight rates between Quesnel, Fort George, and all intervening points.<sup>19</sup> In addition to asking the government to improve the road to Fort George so that the company's monopoly could be broken, a protest letter was sent by the Board of Trade to the British Columbia Express Company demanding that the tariff be reduced.<sup>20</sup>

The methods of reducing transport costs that were discussed above have one characteristic in common--they did not involve any capital investment on the part of the merchants. Occasionally, however, individual merchants did purchase their own means of transportation. For example, John A. Fraser bought a truck in the spring of 1914 to haul his own goods from Ashcroft to Quesnel--this happened at a time when the market was expanding rapidly due to railway construction at Quesnel.<sup>21</sup> Whatever the underlying cause, Fraser presumably incurred a saving by investing in his own means of transportation. The same strategy took a different form in 1908, when the Reid Estate operated a steamer on the Fraser, and in 1909 Telesphore Marion, another Quesnel merchant, had a steamer built as well. They did not operate for very long, however--one was wrecked within two

years, and the other was sold and moved to another part of the province in 1912.<sup>22</sup>

Improvements in the transportation system, in addition to reducing transport costs, had another significant effect which should be noted here. The merchants not only had a smaller portion of their capital tied up in transport costs, but the internal efficiency of their operations could be improved as well. Harsh winters and low quality roads made movement of goods difficult at the best of times; water transport was limited to a few months of each year, and was always impossible south of Soda Creek. The promise of all-weather low-cost transportation meant that uncertainty could be reduced by ensuring delivery of freight on schedule, and stocks could be reduced during the winter and the spring thaw. The net effect of this change in business practices would be a higher rate of profit, because the same amount of buying and selling could be done with less capital. The leftover portion of each merchant's capital could then be used for other investments or for direct consumption.

#### Merchant-Owned Local Industry

A very different approach to the problem of cost-reduction was investment by merchants in local industry. Only a few of them attempted this because only a few commodities could be feasibly produced for such a small market; therefore this strategy was never of great significance for the merchant class as a whole. The Reid Estate manufactured lumber, shingles, flour and stock feed, and other sawmills were operated from time to time by John A. Fraser (general merchant), Harry Joyce (a building contractor), and the Johnston brothers (operators of a livery stable and

garage). All production was for local consumption except for a brief period in 1910 when some lumber was shipped to Fort George, presumably as a result of exceptionally high prices stemming from that centre's construction boom.<sup>23</sup>

All local industries between 1908 and 1921 had several features in common: they produced for a local market using local raw materials; they produced bulky goods which were costly to transport; they utilized production techniques which were labour-intensive and required relatively small capital investments; they operated on a seasonal basis well below full capacity; and all were owned by merchants.<sup>24</sup> This combination of characteristics leads one to believe that these merchants were individually striving to produce certain goods at a cost which was below the cost of buying the same goods elsewhere and paying freight charges. This belief is reinforced by the fact that as transport costs fell, these industries were closed down.<sup>25</sup>

#### The Role of Communications

The last major aspect of cost-manipulation by the merchants was the ongoing tendency to speed up communications between the North Cariboo and centres like Vancouver and Edmonton. Efficient low-cost communication enabled merchants to correlate their purchases more closely to fluctuating local demand, thereby using their capital more efficiently. Another incentive was the fact that a combination of better communication and faster transportation generally enabled each merchant to turn over his or her capital more quickly.

A telegraph link to Vancouver had existed since the mid-1860's, when the Collins Overland Telegraph passed through Quesnel.<sup>26</sup> In 1908, as the

Grand Trunk Pacific was approaching Fort George and the Quesnel merchants expected that freight charges from Edmonton would be lower than those from Vancouver, agitation mounted to force the federal government to build a telegraph line to Fort George from Quesnel. This question became a major local issue in the federal election campaign of 1908.<sup>27</sup> By the summer of 1910 this line had been completed.<sup>28</sup> Local pressure also brought about an improvement in the postal service in 1910, when the weekly deliveries to Quesnel were increased to two deliveries per week. This lasted until 1921 when deliveries were reduced to one a week, provoking a great deal of resentment, particularly from the merchants.<sup>29</sup> Telephone links were not established until much later.

It is impossible to evaluate the effect of these gradual improvements in communication with any degree of precision. But the fact that they were of considerable importance is reflected in the close attention paid by the merchants to every potential new development in long-distance communication, and the tenacity with which they held onto existing services.

In Chapters II and III the merchants have been the focus of attention. Their dominance and some of its consequences have been explained in considerable detail. But to complete the picture it is necessary to consider the experience of those who were dominated, because the merchants' strategies had far-reaching implications for other groups in the population. This task is taken up in Chapters IV and V.

FOOTNOTES--CHAPTER III

1. Margaret McNaughton in a letter to the editor, Cariboo Observer, June 11, 1910.
2. While the board was being formed, the Cariboo Observer pointed out that "Quesnel is bountifully blessed with many ideal natural advantages, and the object and aim of the proposed organization will be to bring these advantages before the thousands of homeseekers who are invading this province." (Cariboo Observer, March 26, 1910).
3. For example, see the circular letter reproduced in the Cariboo Observer on February 3, 1912. Some of the results of the 1913-14 census are preserved in the personal papers of Louis LeBourdais, located in the Public Archives of British Columbia.
4. Precise information about the land companies' operations in the North Cariboo is difficult to obtain. Although 'notices of intent to purchase land' reproduced by the Cariboo Observer provide a general indication of the level of land-staking activity, this information can not be used to determine precisely who purchased land where, when and at what price. It seems clear, however, that the P.G.E. Railway did not actively promote land sales in the Quesnel area, either because its holdings were not extensive or because it chose not to do so. A number of other companies did have holdings in the Quesnel area, consisting of a small townsite on the west side of the Fraser River which faded in importance once it became clear that the P.G.E. would be on the east side of the river, and various tracts of agricultural and timber land. The largest of these firms was the Natural Resources Security Company of Fort George (now Prince George) owned by a promoter from Ontario named George J. Hammond. Hammond owned the Fort George townsite as well as other land in the Fort George area and agricultural land in the vicinity of Quesnel. The source of the capital invested by Hammond and others could not be determined.
5. Cariboo Observer, October 9, 1909.
6. British Columbia newspapers in the early part of this century did not pretend to be 'objective' about the way they presented news, most of which reads like an editorial. The Cariboo Observer was not different from the others.
7. I am not suggesting that these initiatives were undertaken for purely cosmetic reasons--some of them undoubtedly improved the quality of life in the area. But a large part of the board's motivation stemmed from the desire to create a town with the appearance of respectability.
8. Cariboo Observer, March 13, 1915.
9. Ibid., January 20, 1910 and June 11, 1910.

10. Ibid., September 7, 1912.
11. Ibid., January 18, 1913.
12. Ibid., March 30, 1918.
13. Ibid., March 2, 1918.
14. Ibid., November 19, 1921.
15. Ibid., February 3, 1912.
16. Ibid., March 13, 1909.
17. Ibid., July 10, 1909.
18. Water transportation was never mentioned by the Cariboo Observer as a viable long-term alternative to a railway, because navigation was impossible during the winter months.
19. Some explanation is required here. Most freight going to Quesnel moved north from Ashcroft, on the C.P.R. The BX Company and several smaller competitors operated automobiles carrying passengers and express freight from Ashcroft north to Soda Creek and on to Quesnel. North of Quesnel roads were impassable for automobiles, and the BX Company's steamer was the only carrier. In May of 1913 the company adjusted its rate structure to penalize the competitors and their customers--rates on the Quesnel to Fort George steamer run were raised to force shippers to use the BX Company's services on the entire run, presumably at a rate higher than that demanded by its competitors. This prompted a Board of Trade protest.
20. Cariboo Observer, May 17, 1913.
21. Ibid., April 25, 1914.
22. Gordon R. Elliott, Barkerville, Quesnel & the Cariboo Gold Rush (Vancouver, 1978), pp. 129-132.
23. Cariboo Observer, May 21, 1910.
24. The Reid Estate flour and grist mill had been in existence for many years by 1908. It was small and primitive, using local wheat to produce flour, and other grains to manufacture stock feed. The raw materials were bulky and were produced locally--the goods produced were for local consumption. The same is true of the sawmills--local timber was used to produce lumber and shingles, and they only operated for short periods each year. For example, the Reid Estate sawmill operated for approximately two months per year in the 'few years' before 1912, and in 1915 the associated planer mill operated for only two weeks (Cariboo Observer, August 10, 1912 and April 17, 1915). In 1908 the sawmill cut only 150,000 f.b.m. of lumber (Ibid., December 5, 1908).

25. The flour and grist mill closed when the Grand Trunk Pacific Railway reached Fort George, but some small sawmills operated occasionally until the 1950's.
26. Corday MacKay, "The Collins Overland Telegraph", British Columbia Historical Quarterly, Volume X, 1946, pp. 187-215.
27. Cariboo Observer, October 24, 1908.
28. Ibid., August 13, 1910.
29. Ibid., February 19, 1921.



## CHAPTER IV : FARMERS

The previous chapters focussed attention on the role of the merchants, the people who engaged primarily in the buying and selling of commodities. Although they produced nothing (with the exception of some simple processing of local raw materials) it was shown that they were able to use their strategic position to hold on to their privileged status in terms of economic, political and ideological power. In this and the following chapter attention is shifted to the remainder of the population, particularly the farmers who comprised the largest single group with whom the merchants were involved (see Figure 11).

The three smallest groups--the trappers, native Indians and wage-labourers--are discussed in Chapter VI. Each of these groups was relatively insignificant in comparison to the merchants and farmers, but the reasons for their insignificance differed between groups. The trappers, like the farmers, were independent commodity producers, but their relation to the merchants was somewhat different. The Indians were a marginal group with a very tenuous role as described in Section V.1. Wage-workers were also few in number and apparently never exercised significant individual or collective economic or political power. Unlike those parts of British Columbia where industrial capital was dominant, as in the mining towns of the Kootenay region, the North Cariboo did not have a working class of considerable size or influence.

### IV.1 Agricultural Production

Farmers in the North Cariboo between 1908 and 1921 are regarded in this thesis as a social class because they had several characteristics which set

( ) them apart from other groups in the population. Their primary role, which distinguished them from merchants, was that of commodity producers. But they were producers of a particular kind, who owned land and other means of production. Their labour was applied to the creation of material wealth, some of which they consumed directly and some of which was destined for the market. Another part of the wealth they created was embodied in their land in the form of improvements such as clearing, road-building, and construction of buildings and fences--that is, they converted labour power into means of production as well as means of consumption.

At the same time the farmers were consumers who purchased goods in the market, usually from the merchants in Quesnel. Relationships between merchants and farmers as classes centred on the farmers' dual role as producers and consumers--the implications of these relationships will be elaborated in the course of this chapter.

The way of life and the social role of the agricultural settlers, or homesteaders, who came to the North Cariboo during the railway boom was to a large extent determined by the conditions under which they arrived. They left their homes because of unemployment, poverty, political or religious oppression and a lack of opportunity for success as defined in their terms. They came to the North Cariboo because it offered cheap land and the promise of prosperity. Many brought with them the illusion that ownership of land guaranteed a good standard of living, a myth which was reinforced by the land promoters and the mass media of the time. To the Welsh miner, the German peasant, the English farm labourer and the Montreal factory worker alike, the Canadian West was perceived as the land of opportunity and a refuge from intolerable living conditions.<sup>1</sup>

These immigrants can be divided into two groups: those who were

virtually penniless, and those whose savings enabled them to consider farming as an option. The first group, forced to seek wage-employment, drifted back and forth across the country, going from job to job. Threshing grain on the prairies, working in British Columbia's mines and fish-processing plants, building railways, and cutting pulp wood in Ontario--these and other activities enabled this group to maintain itself. The role this floating labour force played in the North Cariboo will be discussed in Chapter V.

The second group also distributed itself widely, with individuals choosing their destinations on the basis of variations in the cost and quality of land, the promises of speculators, advertising, family connections, and rumours. Most choices were based on little information, much of which was incorrect or misleading. It is likely that many people had vague and unrealistic notions of what conditions were like in the West, particularly those who came from Europe or had no experience of rural life.

The majority of the homesteaders who settled near Quesnel between 1908 and 1921 made their way north from Ashcroft, about 350 kilometers to the south. After getting off the Canadian Pacific Railway they set about buying as many necessities as they could afford--a wagon, horses, perhaps a milk cow, tools, food, tents--and moved up the Cariboo Road to find the piece of land they had already bought, or to locate a good piece of Crown land and pre-empt it. Others went north with only a few personal possessions, ignorant of the difficulties involved in farming in such an environment and soon were forced to leave or look for wage-employment. The uncertainty and fear which must have accompanied this kind of endeavour is difficult to understand, but it must have been enormous. Homesteading in northern British Columbia in the early part of this century was an alternative for desperate people. As the Cariboo Observer's editor commented in an unusually candid

editorial in 1915:

Of the settlers in B.C. 95 per cent have gone on the land with no capital. The man with capital does not think of going on the land.<sup>2</sup>

The most sought-after land in the Quesnel area was along the rough roads and trails radiating out from the town, and particularly along the Cariboo Road south of the town (see Map 2). This facilitated access to markets and minimized the sense of isolation which was dreaded by the European settlers in particular, as well as making it possible for families to send their children to school in areas where schools existed. It also seemed reasonable to assume that the anticipated railway would parallel the Cariboo Road, thereby making it possible to export produce to the Vancouver area. All these factors combined to encourage settlement at places like Alexandria, Australian, Kersley, Dog Prairie and Dragon Lake.

It was noted above that the homesteaders applied their labour directly to three kinds of activities: creation of products for direct consumption, creation of means of production, and production for the market. Products for direct consumption were created in a variety of ways, including construction of log cabins and houses, cutting firewood, hunting, fishing, gathering berries and other food which existed in the natural environment, and planting vegetable gardens for household use.

The most important element of the creation of means of production was clearing and breaking forested land before cultivation could begin. Buildings were needed to house livestock and store equipment and food, fences and corrals had to be built to contain cattle and horses, 'swamp hay' was harvested for winter feed by those who had access to a suitable 'hay meadow', streams were bridged, roads and trails built, wells dug, and innumerable other tasks demanded attention. Only when a minimal amount of this kind of

work had been done could production of crops for the market begin.<sup>3</sup> Time constraints on such a complex venture were enormous--of necessity most settlers arrived in the spring, which gave them but a few months to prepare for a severe winter. No crop could be produced in the first year, and the amount of time involved in clearing land with hand tools and horses meant that each farmer's productive acreage could only increase very slowly over the years.

In short, the homesteaders substituted labour for capital. Of course, not all needs could be met this way, which is why those who had no savings whatsoever could not hope to pre-empt land and remain on it for any length of time. Those who had savings used them to survive during the critical initial period between arrival and harvesting of the first saleable crop.

Many of the initial and ongoing difficulties faced by the homesteaders could have been avoided if long-term agricultural credit had been available. But there is no indication that anything other than short-term bank loans were available, and it is probable that even this kind of credit was only available to a select few at high rates of interest.<sup>4</sup>

The constant need for capital to increase both productivity and overall production, combined with the relatively low standard of living of most of the farmers, exerted pressure on them to seek wage-employment from time to time. Consequently the distinction between the farmers and the wage-earning class cannot be precisely made because movement from one to the other was common. There was, however, a limit to the amount of time that could be spent in wage-employment without farming activities suffering as a consequence. Time spent away from the farm was time that could not be spent doing necessary work at home; this loss was particularly damaging if wages were spent on consumer goods. The conflict was exacerbated by the fact

that most temporary employment, such as government and sawmill work, was available at the time of year when work like plowing, seeding and harvesting had to be done on the farm. During the winter, when little employment was available, not much could be done at home either.

There were a few significant exceptions to the kind of agricultural production engaged in by the majority of homesteaders, namely the Yorston Ranch at Australian and the Spring Farm owned by John Holt and Tommy Fletcher. Both of these farms were significantly larger than average, and therefore played a special role in the agricultural sector of the regional economy.

Their prominence can perhaps be explained as a result of two conditions. Firstly, both farms were established before the majority of other settlers arrived. The Yorston Ranch was first pre-empted in 1863, and when the Yorston brothers turned from stage-driving to farming in 1903 they bought the land as an operating farm.<sup>5</sup> The Spring Farm was established in 1901, also giving it a competitive edge over later settlers.<sup>6</sup> This initial advantage helped these two farms to be more productive than most, because when the local market expanded quickly the owners were able to concentrate their efforts on production while other settlers still struggled to create the capacity to produce. The second factor which proved to be an advantage was that each of these two farms was owned and operated by two men in partnership, which not only made many tasks more efficient, but also released one or the other of the partners for involvement in political and other activity, or for temporary wage-employment to bring in needed cash.<sup>7</sup> This kind of partnership or an extended family situation generally provided more flexibility than was possible for any individual farmer.

Stratification in terms of productive capacity among the farmers was not limited to a simple distinction between large and small. At one end

of the scale was the very small homestead which produced virtually nothing for the market and whose owner engaged in seasonal freighting or wage-labour. At the other end were the two large farms noted above which produced larger cash crops with greater efficiency, thereby allowing their owners to become actively involved in outside pursuits. But in the middle of the scale was a third group of homesteaders who for various reasons were more productive than the first group, but not to the same extent as the large farms. This group included perhaps five individual or family holdings--precise figures can not be established because this is not a precise category, and because detailed information is not available in any case. Toward the end of the 1908-1921 period this middle group became more clearly visible because of its increasing involvement in politics and special interest groups such as farmers' institutes, although the smaller homesteads still outnumbered all the other farms by a significant margin.

It is important to understand that stratification among farmers and the generally small scale of farming operations in the North Cariboo at this time was not due simply to differences in the amount of capital available for initial investments. Many other factors were significant, including quality of land chosen, different levels of familiarity with a new physical environment, understanding of farming practices generally, choice of crops in a situation where level and type of demand changed unpredictably, access to transportation, access to temporary employment, and simple luck in terms of weather prediction, pest control and health of valuable livestock. Another important variable, which was alluded to in the description of the two larger farms, was the differences between various production units in terms of demographic structure--that is, whether farming was done by individuals, families, or two or more individuals in partnership. All these

factors played a part in determining and limiting the production and productivity of each farm unit.

But an understanding of the role of the farmers in the overall development of the region requires more than an examination of production in its various forms. Production was undertaken to produce goods for consumption and goods to be exchanged for money or necessities which could not be produced on the farm. It is necessary, then, to examine the dynamics of the markets at which production was directed, because it was in the process of exchange that the farmers entered into immediate relations with the merchant class and others. These relations had certain consequences which in turn affected the productivity of the agricultural sector and developments within it.

#### IV.2 Markets

The market for agricultural produce can be divided into two separate markets for the purposes of this discussion. By far the most important was the local market--that is, sales to purchasers within the North Cariboo where transport costs were negligible relative to the value of the goods.<sup>8</sup> Of less importance, but becoming more significant toward the end of the 1908-1921 period, was the external market in which transport costs were a real obstacle to entry into the market. This distinction is a useful one, even though it becomes blurred at times. This section explains the operation of these markets, the connections between them, and their implications for relations between the farmers, the merchants, and other groups and institutions.



### The Local Market

The local market included several sources of demand for various kinds of agricultural products and these demand patterns changed radically, both quantitatively and qualitatively, during the railway boom period. During the years between the gold rush of the 1860's and the beginning of the railway boom period, the mainstay of the farmers in the Quesnel area had been the teamsters who used oxen and horses to carry freight to the mines around Barkerville. This market persisted to some extent while the railway was being built, and hay and grain production for livestock feed continued. During 1914 and 1921, when railway construction actually reached the North Cariboo, the demand for hay and oats rose dramatically as indicated by abnormally high prices for these commodities.<sup>9</sup> This kind of short-lived prosperity was part of the basis for the alliance between the farmers and the merchants with respect to the railway--all the farmers, large and small, stood to gain from the rapid expansion of the market even if it was not a permanent expansion.

At the same time there was a hope that the arrival of the railway would stimulate the mining industry and perhaps lead to the establishment of new resources-based industries. But the railway did not have any such effect during the 1908-1921 period, and mining activity merely continued at its usual faltering pace. Freight to the goldfields continued as well, but at the same time a new development began to undermine this market for farm produce. This was the automobile, which gradually replaced horses in the transportation sector.

At first automobiles were used only to carry passengers and express freight--they were costly to operate on rough roads and could not compete

with the teamsters who continued to haul the bulkier freight. Small independent operators were the first to use automobiles on the Cariboo Road, so that the British Columbia Express Company's stage coaches were virtually eliminated by 1909.<sup>10</sup> Within a few years the BX Company was forced by competition from these independent operators to purchase automobiles as well, and by 1912 or 1913 it had eight of them in operation on the Cariboo Road.<sup>11</sup> As the years went on trucks began to be used to carry heavier freight, and various technical improvements increased their size and carrying capacity so that by the time the railway arrived in 1921 most of the teamsters and pack trains were eliminated, but horses were still used when road conditions were bad and on various trails where automobiles could not safely go.<sup>12</sup> The net result of this change from one mode of transport to another was a gradual curtailment of the market for hay and oats on which most of the farmers depended to some extent.

Another type of demand in the local market was for various kinds of food for human consumption. Until 1913, when the Reid Estate flour mill closed down permanently due to the importation of cheap flour from the prairies, a market existed for locally-produced wheat. Flour was consumed by Quesnel residents, by the farmers themselves, and by the miners in the Barkerville area, but it could not be profitably exported from the region. Again the farmers found that part of their local market had disappeared, this time because the merchants found it cheaper to import a particular commodity rather than to produce it locally.

Some other food crops continued to be produced for local consumers throughout the 1908-1921 period and for some years after that. These were fresh meat, fresh vegetables, potatoes, eggs, milk and butter, all of which were perishable and therefore could not practically be imported with the

exception of some beef on the hoof which was driven from the Chilcotin to Quesnel and Barkerville. For the same reason these products could not be exported either, which meant that total production was limited by the extent of local demand. As in the case of oats and hay for stock feed, local demand for food increased sharply while railway construction work was underway in the Quesnel area.

In general terms, all these unanticipated changes in local demand created a permanent uncertainty which had concrete negative consequences for the farmers. The production difficulties described in Section IV.1 were aggravated by an uncertain market in which demand and prices fluctuated wildly, thereby complicating decisions about what and how much to produce, and presenting a barrier to steady and orderly increases in the productive capacity of individual farms. Any misallocation of effort could reduce actual revenue from a year's crop to something far below potential revenue, and at the same time increase expenditures of cash and labour time if a switch from one kind of crop to another was involved.

In addition to the problem of an unstable local market the farmers faced another difficulty when it came to the actual marketing of their produce. How could buyers be found? What was the right time and place to sell? How could any one farmer find out what current prices were? Sometimes it was possible for a farmer to partially overcome these problems by virtue of the farm's location near a well-travelled road, or by using various kinds of personal contacts to gather information about the market and make deals. But in general this approach was haphazard and inefficient, so that the farmers were forced to turn to the only existing feasible marketing system--the Quesnel merchants.

On the face of it, this would seem to have been a perfectly reasonable

arrangement--after all, if merchants carried a stock of farm produce both farmers and consumers knew where to go in order to buy and sell. But an inevitable consequence of selling to the merchants was the fact that the merchants kept their own costs as low as possible and therefore tended to drive down the price of the farmers' produce. At the same time it was obviously in the best interests of the farmers to keep prices as high as possible. This combination of circumstances resulted, as it does in all situations where a producer and a merchant enter into an exchange relationship, in a constant struggle over the division of the surplus contained in the commodity. Farmers and merchants had different kinds of power to use as levers in this struggle, but the struggle was always resolved in one way or another because each party depended on and needed the other. The farmer negotiated a price with the knowledge that if the merchant refused to pay enough it was possible, if difficult, to sell smaller amounts of produce directly to the consumers at a higher price. The merchant, on the other hand, knew that it was impractical for the farmer to seek other buyers on an ongoing basis. The result was that eventually most locally-grown produce had to pass through the hands of the merchants.

One other dimension must be added to this scenario if an understanding of its overall impact on the farmers is to be obtained. As the discussion of changes in demand patterns illustrates, the local market was gradually being eroded by changes in the major mode of transport and by the closure of Quesnel's only flour mill. At the same time individual farms were increasing their capacity to produce and the number of farms was increasing as well.<sup>13</sup> This meant that total production capacity greatly exceeded local demand during most years, giving the merchants a significant advantage when it came to buying farm produce and enabling them to appropriate

virtually all the surplus created by the farmers. This situation of inequality may explain the farmers' failure to increase productivity through capitalization, particularly in the form of much-needed machinery. Instead most of them continued to devote a major part of their efforts to production of their own means of subsistence, and the difference in the material standard of living between the farmers and the merchants remained striking. Few farmers could aspire to luxuries like automobiles and pianos, which many merchants seem to have been able to afford.

To summarize, the farmers were caught in a trap. Attracted to the region by the promise of independence and prosperity, they found that actual conditions were difficult and getting gradually worse. Some moved on after a short time (as news items in the Cariboo Observer indicate), while others continued to produce small crops in an inefficient manner while subsidizing their operations with hunting and gathering and occasional wage-labour. A small and shrinking local market forced them to increase their reliance on the merchants in order to sell their produce, while the merchants used their strategic position to drive prices down and maximize their own share of the wealth produced by the farmers. This left the farmers unable to make significant improvements to their farms and at the same time kept their standard of living relatively low. Despite these difficulties many of the farmers were determined to stay, partly because of a reluctance to abandon the land in which they had invested their labour and partly because they believed, or at least hoped, that the coming of the railway would solve their problems.

### External Markets

This predicament gave rise to various efforts to make external markets accessible to North Cariboo farmers. As the Cariboo Observer explained it, the "farmers have lost their old money-maker of catering to the freighters, and have now to find a new outlet for their products."<sup>14</sup> Exporting agricultural produce from the region was necessary to the farmers for obvious reasons--at the same time these efforts were supported by the merchants, and at times even initiated by them, because it was in their own interests to increase the farmers' disposable income if this could be done without costing the merchants anything. The farmers were, after all, consumers as well as producers, and most of their purchases were made from local merchants. Thus an alliance between these two classes was created in the search for external markets. This search required organization and collective effort which produced several permanent local institutions and at times revolved around particular issues or problems which could not be resolved by individual farmers. This section examines the search for new markets, the forms taken by it, and its implications for those involved in it.

The first recorded effort to organize the farmers in a manner which could improve their position was the formation of the Cariboo Farmers' Institute in March of 1915. The Cariboo Observer's report on the event is unclear, but it appears that the initiative came from A.S. Vaughan, a Quesnel real estate agent who was active on the Board of Trade and in the Conservative Party.<sup>15</sup> Thirty-four members joined the institute at its first meeting, and in December a board of directors was elected. The board consisted of five farmers plus A.S. Vaughan, Harry Moffat, public

works superintendent and part-time farmer, and D.R. MacLean, the Presbyterian minister.<sup>16</sup> One of the farmers was John Yorston, part-owner of the district's largest farm and Liberal candidate in the upcoming provincial election. The composition of the board is of interest because it contained individuals who could provide links with the current government, with the next government if it happened to be Liberal, and with the Quesnel merchants. This pattern continued in later years--for example, in January of 1917, after Yorston had been elected to the legislature, John Holt became the new president of the Institute.<sup>17</sup> Holt was also the president of the Quesnel Liberal Association.<sup>18</sup>

At the same meeting in January of 1917 the first real step was taken to pursue the problem of exporting agricultural produce. A resolution was passed requesting that the government subsidize the establishment of cheese, butter and bacon processing facilities at Quesnel.<sup>19</sup> This particular strategy reflects the role of high transport costs in limiting the expansion of agriculture in the region--the commodities named were all characterized by a high value to weight ratio. The discussions which followed this initiative were fuelled by a representative of the province's Land Settlement Board who recommended after a tour of the area that dairying was the most feasible kind of farming in the North Cariboo.<sup>20</sup> But for reasons which are unclear, no official reaction to the institute's proposal was forthcoming.

Before the issue of a creamery and/or bacon factory was resolved, the problem of marketing became so severe that more immediate action was required. During the winter of 1917-1918 a large surplus of hay and wheat existed in the area, but it could not be exported. In January of 1918 the Board of Trade wrote to Mrs. Charlotte Carey in Vancouver to see if she

was willing to sell the Reid Estate flour mill--<sup>21</sup> apparently war-related shortages had caused an increase in the price of flour so that local milling could become profitable. The Board of Trade and the Cariboo Farmers' Institute formed a joint committee to pursue the matter, but Mrs. Carey, perhaps because of a long-standing conflict between herself and the Quesnel merchant establishment, demanded an impossible \$10,000 for the flour mill. At the same time the British Columbia Express Company informed the committee that it would require an annual subsidy of \$10,000 to ship produce upstream to Fort George at the rate of \$10 per ton. Consequently the committee passed a resolution stating that a \$10 flat produce rate or a subsidized flour mill "would make of the country a produce producer again."<sup>22</sup>

After a meeting between the British Columbia Express Company, John Yorston, and the provincial Minister of Agriculture, the government resolved the issue by deciding on a \$10,000 freight subsidy for a semi-weekly steamer service between Soda Creek and Fort George.<sup>23</sup> In April of 1918 it was announced that the British Columbia Express Company's steamer 'BX' would begin service in May of that year,<sup>24</sup> and the farmers responded by seeding more acreage than they had the year before.<sup>25</sup> The discussion about the flour mill gradually died down after this development. However, the freight-subsidy episode came to an end when the 'BX' was wrecked near Woodpecker in August of 1919, before most of the harvest had been taken off the fields.

Meanwhile the discussion of a creamery continued, and several head of dairy cattle were brought from Chilliwack in June of 1918, presumably in the belief that a creamery or the freight subsidy would make them profitable.<sup>26</sup> In the spring of 1919 John Yorston presented the Cariboo Farmers' Institute with a concrete proposal: the government would build a



creamery and operate it for the first year, if farmers in the area had a minimum of 100 cows. Under a provincial Land Settlement Board plan purchases of cows could be financed at an interest rate of 7½% per annum over two years, with a down payment of 15%. The response was immediate, with a commitment to bring the total number of dairy cows in the area up to 120.<sup>27</sup> The Quesnel Farmers' Co-operative Association was organized to take responsibility for the creamery, which opened on June 8 of 1921, and at the end of that year the government turned over control (but not ownership) of the creamery to the co-operative.<sup>28</sup>

The benefits were felt immediately. The farmers who belonged to the co-operative began to sell their cream, some of the merchants boosted their sales by supplying cream separators to the farmers, and the merchants as a whole benefitted because the farmers now had more money to spend. But although the benefits were immediate, they were not enormous. During the last seven months of 1921, for example, \$5,449 was paid to approximately 26 farmers for cream.<sup>29</sup> This represents an average monthly income of approximately \$30 per farmer. To give this figure some meaning, local retail prices in 1921 were approximately as follows: a man's shirt cost \$9 to \$14, a pair of work boots cost \$13.50, and 100 lbs. of flour was priced from \$6 to \$8.50.<sup>30</sup> Some of the butter produced by the creamery was sold in the local market, and some was shipped out of the region (this topic is taken up again in Chapter VI).

It seems that at first there were no difficulties in marketing as much butter as could be produced, but now that the marketing problem had been solved temporarily the production problem came to the fore again. More land had to be cleared, dairy cattle required better barns than other livestock, and productive land had to be worked up and reseeded with more

suitable hay crops. All these improvements cost both money and labour, and the cash income from a few cows was barely enough to buy necessary consumer goods. Purchasing new stock to expand a herd was probably the largest single expense, an expense beyond the immediate reach of many farmers. Consequently herds in the area continued to grow over the next few years, but at a low rate. An added difficulty faced those farmers who did not have families--seasonal wage-employment off the farm was made more difficult for them because dairy cows can not be left unattended even for one day. This eliminated dairying as a viable option for some of the farmers. In short, the creamery did not benefit all farmers equally, and for those who did become involved it represented a stop-gap measure rather than a significant breakthrough into new markets.

#### IV.3 Farmers as Consumers

The mediators between the farmers and the market were the merchants, who bought from the farmers and sold to them in a relationship which was symbiotic as well as unequal--the inequality arose partly from the fact that the merchants represented the farmers' largest single market, thus enabling the merchants to keep produce prices down to a level which left the farmers relatively little reward for their labour. But although this class-relationship was disadvantageous for the farmers, there were built-in limits to the power the merchants could exert by using their monopoly position--these limits were expressed as individual and collective efforts to find export markets, and in the possibility that farmers who became too disgruntled might simply move away.

To illuminate the farmer-merchant relationship more fully, it is also

necessary to examine the farmers' function as consumers, or purchasers. There are two aspects to this function, namely the purchase of means of production and the purchase of means of consumption. These will be discussed in turn.

The description of the process of production engaged in by the farmers, indicated that they obtained their means of production in two ways--by creating them from materials found in the natural environment, and by buying them with money. Although much could be done with some ingenuity and a great deal of hard work, there were definite limits to what could be made or improvised with materials at hand. Primitive as the typical farm appeared to be, it still required a seemingly endless list of manufactured goods: a minimal amount of machinery, including a wagon, mower, hay rake and plow; tools like axes, saws, hammers, shovels, hay forks, and many others; a pair of horse harnesses and bridles; spikes, nails, bolts, hinges, rope, chains, stumping powder, seed grains, buckets, sacks, garden seeds, and so on. To obtain these necessities farmers were forced to go to the merchants and pay the prices demanded by them.

Occasionally it was possible to bypass the merchants by purchasing used equipment from another farmer, or by ordering supplies from an outlet in Vancouver or Edmonton. But these practices were not common--used equipment was not usually readily available, and major purchases made outside the region involved long delays and the possibility of antagonizing some of the merchants. The situation was complicated further for farmers who had credit from one or more of the merchants, because this involved a dependency which prevented farmers from taking advantage of lower prices elsewhere if they could be found.<sup>31</sup>

During the 1908-1921 period there was only one organized attempt on

the part of the farmers to bypass the merchants in order to cut the cost of means of production. In January of 1921 the Cariboo Farmers' Institute planned to order one railcar load of seed grain if enough orders could be obtained from members.<sup>32</sup> Several weeks later the Institute abandoned its plans and turned the orders over to John A. Fraser & Company, which ordered two car loads of seed oats and seed wheat.<sup>33</sup> There is no indication why the Institute's venture failed.

Where purchases of consumer goods were concerned, it was even more difficult to avoid becoming dependent on local merchants. Although much of the food consumed by a farm family was grown or gathered on the farm, it was impossible to be self-sufficient. Vegetables could only be kept for a limited period of time, meat could not be stored except outside in the winter, and so on. The average farm family also could not supply itself with clothing, shoes, and the many other manufactured goods which were regarded as necessities of life. Even cabins and houses, which were almost always built of logs, required windows, doors, stove-pipes, a stove, furniture, and so on. Virtually all these commodities were purchased locally. A partial alternative was the T. Eaton Company, a huge mail-order house which was known throughout rural Canada, and several smaller less-known mail-order firms, but they only sold certain kinds of goods and a delay was always involved. Mail-order purchases were discouraged by the Cariboo Observer, which never tired of reminding its readers that every dollar spent outside the region was lost forever to deserving local merchants who worked so hard to build up the community.

#### IV.4 Political Relationships Between Farmers and Merchants

To this point the discussion of the farmers' position in the regional

social structure has depicted their relation with the merchant class as an outgrowth of the conditions under which production, marketing and consumption took place. But this relationship had other dimensions as well, the most important of which was the political realm. Political relations were not determined by economic conditions in any simple or obvious way, but political activities and beliefs were at least partly a response to economic realities as experienced by individuals, groups, and classes. At the same time individuals, whether merchants or farmers, were influenced to take particular political positions by the values and ideas they had brought with them from their various homelands, and by their aspirations for the future.

The major political division in the North Cariboo was between Conservatives and Liberals. As noted in the chapters on the merchant class, the local Conservatives were dominated from the outset by a clique of the most powerful merchants, led by John A. Fraser. A number of factors in combination resulted in the emergence of the local Liberal organization as the forum in which many farmers voiced their discontent.

One important factor was that the North Cariboo was governed by the Conservatives until 1916--the importance of patronage and the need to curry favour with the government forced most merchants to become a part of the Conservative machine, something which was not difficult for many of them since they came from places like the Maritimes and Ontario where merchant capital and Conservatism were virtually two sides of the same coin. The local merchants' successful bid for political power to enhance blatantly their economic position gave them an initial advantage and caused those who lost out to drift toward the Liberals--usually it was the farmers who lost out. Some, like John Holt, actually gave up an influential position in the Conservative Association to jump over to the

Liberals.<sup>34</sup>

The most direct source of friction between merchants and farmers was the patronage system, which allocated government jobs to Conservatives. Farmers who relied on off-farm wage employment to get by, and found that the good jobs were going to a select minority, naturally gravitated toward the Liberal Party's anti-spectacular, anti-patronage, pro-little man philosophy. The Quesnel Liberal Association repeatedly criticized the Conservatives for directing all government benefits to their own kind, and sometimes also attacked the Board of Trade (which was controlled by Conservatives) for its anti-Liberal feelings. When the Liberals finally elected a member to the house in 1916, the patronage system was officially abolished and agitation by local Liberals forced the government to adopt the practice of procuring most supplies by tender.

The ongoing Conservative merchant versus Liberal farmer split had a less tangible component as well. Although neither group was homogeneous, there was a definite contrast between them in terms of values and lifestyles. The farmers were people who lived in the country and worked with their hands, valued independence and forthrightness, and distrusted formality and pretentiousness. Ethnic and religious differences were played down, newcomers were made to feel welcome, and informal mutual aid between neighbours was the norm.<sup>35</sup> The merchants, with a few exceptions, appeared to lead somewhat different lives. They lived in the town and exercised a certain amount of actual and moral control over the town centre, which, although it was mostly public space, they regarded as their domain.<sup>36</sup> Most were white Anglo-Saxon Protestants of English, Maritimes and southern Ontario origins, and they appeared to have little respect for Indians, Catholics, French-Canadians, Chinese, or other 'foreigners'. During this

period of British Columbia's history racism was by no means unique to any one class, but some members of Quesnel's merchant elite attempted to raise their prejudice to the level of 'intellectual' activity. The following report in the Cariboo Observer conveys something of the small-minded pomposity which existed at the time:

A well-attended meeting of St. Andrew's Guild was held on Tuesday evening, in the vestry of the Presbyterian Church. An introductory paper was read on 'Japan--the country and its national characteristics', by Mrs. Allison, and this was followed by an interesting address by Miss Tretheway on 'The Oriental Menace'. A general discussion of this subject followed.<sup>37</sup>

The activities of the St. Andrew's Guild were only a part of a wide range of phenomena--including the Tennis Club, the summer cottages at Dragon Lake, the exclusive balls at the Occidental Hotel, and the well-publicized comings and goings of some merchants' children who attended private schools in New Westminster, Victoria and Washington State--which, if not intentionally, functioned as signals to the farmers that the town was populated by a class of people who were in some way superior to themselves (a few farm families, of course, identified with this elite group). Apparently the American settlers and miners were most vocal about their dislike of those merchants who were elitist, particularly those from eastern Canada:

They had a great contempt for the eastern Canadian, and this feeling seems to have communicated itself to others both in the upper country and at the coast, and to have persisted for a long time. 'North American Chinamen' and 'cheap Canadians' were a couple of the terms they used to describe anyone who came from the eastern provinces.<sup>38</sup>

In summary, economic relations between farmers and merchants were not the sole determinant of political divisions between the two groups. Differences of world-view and lifestyle were also important factors in

( ) determining political alignments and conflicts.

On the whole, however, the farmers expressed relatively little open resentment of their dependence on the good will of the merchants. Political protest was never extreme or systematic, although a latent antagonism was always there. There are several possible explanations for this. In a frontier environment individuals are forced to depend on the good will of others, or they cannot survive. Therefore social harmony was regarded as a desirable goal, and criticism was expressed through 'acceptable' channels--political enemies could thus continue to do business, or even be good friends. Another factor which moderated political antagonism was the background of many of the farmers--they viewed the North Cariboo as a refuge from desperate conditions in their homelands, and even if things were bad at least there was a future to look forward to. Continual anticipation of the benefits the railway would bring led the farmers to criticize the provincial government for dragging its feet on the railway issue, rather than attempt to substantially improve their lot in the local context. A preoccupation with the future, which to some extent characterizes Canadian frontier regions even today, caused the settlers to view ongoing hardships as merely a passing phase. 39



FOOTNOTES--CHAPTER IV

1. The views expressed in this paragraph are repeated in many collections of anecdotes, as well as local histories. For example, see the collection edited by Barry Broadfoot, The Pioneer Years, 1895-1914: Memories of Settlers Who Opened the West (Toronto, 1976).
2. Cariboo Observer, February 13, 1915.
3. There was one exception to this limitation--firewood. Many of the farmers cut firewood to supply the town market. This could be done without additional investment, but demand for firewood was limited and prices were consistently low (approximately \$5 to \$8 per full cord). Therefore this never became more than a very minor source of income.
4. Before 1915 government assistance to agriculture in British Columbia was limited to loans and guarantees of loans extended to various kinds of farmers' associations. In 1915 the legislation was consolidated by the Agricultural Act, which established a commission to make loans directly to farmers. This program was ineffective and short-lived, being replaced in 1917 by the Land Settlement Board which promoted new settlement rather than assisting established farmers. (W.T. Easterbrook, Farm Credit in Canada, Toronto, 1938, pp. 123-127).
5. Gordon R. Elliott, Barkerville, Quesnel & the Cariboo Gold Rush (Vancouver, 1978), pp. 160-161.
6. Bouchie Lake Women's Institute, Pioneers of Bouchie Lake (Quesnel, 1975), p.19.
7. Both Yorston brothers were involved in the Board of Trade, the Cariboo Farmers' Institute, the Creamery Association, and the Liberal Party, among other organizations. In the case of the Spring Farm, Holt was active in the Liberal Party and the Board of Trade, while Fletcher often 'worked out'. (Bouchie Lake Women's Institute, op. cit., p. 19). It is likely that such involvement in 'community affairs' enhanced the viability of both farms by establishing local and non-local business contacts and relationships with government agencies.
8. Transport costs were, of course, never zero. But within a certain distance they did not cost the farmer anything other than an additional expenditure of labour time, no outlay of cash being required. This distance, which varied according to the season, road conditions, etc., defines the extent of the local market.
9. For example, baled hay was selling at \$55/ton in May of 1920. In the summer of 1921 the price had risen to \$70-\$80/ton. (Cariboo Observer, May 1, 1920 and June 18, 1921).

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10. ~~Gordon R. Elliott~~, op. cit., p. 125.
  11. Ibid., p. 124. Also see Willis J. West, "The 'B.X.' and the Rush to Fort George", British Columbia Historical Quarterly, Volume XIII, 1949, pp. 129-227.
  12. In the spring of 1913 trucks with a capacity of two tons were already being used on the Ashcroft to Soda Creek run. (Cariboo Observer, April 26, 1913).
  13. "It is well-known that the farmers of the district have not been producing to the capacity of their farms and ranches...." (Cariboo Observer, March 9, 1918).
  14. Cariboo Observer, October 20, 1917.
  15. Ibid., March 13, 1915.
  16. Ibid., December 25, 1915.
  17. Ibid., January 13, 1917.
  18. Ibid., January 6, 1917.
  19. Ibid., January 13, 1917.
  20. Ibid., October 20, 1917.
  21. Ibid., January 19, 1918.
  22. Ibid., February 9, 1918.
  23. Ibid., March 2, 1918.
  24. Ibid., April 27, 1918.
  25. Ibid., May 4, 1918.
  26. Ibid., June 22, 1918. These cows were bought by two part-time farmers-- the local telegraph operator and a minister. Perhaps that explains why they were able to take such a risk when full-time farmers could not.
  27. Cariboo Observer, April 29, 1919.
  28. Ibid., September 24, 1921.
  29. Ibid., December 17, 1921. The exact number of farmers shipping cream during each month cannot be determined, but in late September of 1921 the figure was 26. (Cariboo Observer, September 24, 1921). It has been assumed that during an average month 26 farmers sold cream to the co-operative in 1921.
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30. Cariboo Observer, June 11, June 25 and October 29, 1921.
31. There is no way of determining exactly how common the existence of 'store credit' was. It was only during later years when the merchants experienced economic difficulties that the Cariboo Observer contained any reference to it. At that time notices appeared reminding farmers to pay their debts immediately after the harvest, and offering small discounts for cash purchases in local stores.
32. Cariboo Observer, January 22, 1921.
33. Ibid., February, 12, 1921.
34. In 1909 Holt was the president of the Quesnel Conservative Association, but by January of 1911 he was elected assistant secretary of the Quesnel Liberal Association. In March of 1912 he ran unsuccessfully for the Liberals in the provincial election.
35. This statement should not be interpreted as an uncritical endorsement of the myth that pioneer agricultural settlers in the Canadian West were all people of broad vision and infinite tolerance. Spitefulness, racism and petty jealousies were also common, but they were not regarded as ideals toward which people should strive.
36. This becomes more evident during the drawn-out saga of the noisy cowbells in the 1920's. The merchants fought a long battle to keep livestock off the streets, the high point of which was a pound by-law passed by the Board of Trade. The Board had no authority to pass by-laws of any kind.
37. Cariboo Observer, December 3, 1921.
38. John Anderson Fraser, Reminiscences as told to R.J. Hartley, October 8 and 9, 1929.
39. J. Burgon Bickersteth, an Anglican lay missionary who worked and travelled in the Canadian West in the early part of this century, observed the same syndrome among the homesteaders in north-west Alberta. In a letter written in June of 1911 he commented that "What impresses me continually is the faith of the average homesteader in the North-West. He is always talking of what the country will be - what a fine farm his homestead will one day become, and so on." (J. Burgon Bickersteth, The Land of Open Doors: Being Letters from Western Canada 1911-13, Toronto, 1976. Originally published 1914. Emphasis in the original.).

## CHAPTER V : TRAPPERS, NATIVE INDIANS AND WAGE-WORKERS

### V.1 Trappers and Native Indians

Trapping was a relatively minor economic activity in the North Cariboo during the 1908-1921 period. It is impossible to determine how many people earned a significant part of their income in this manner, because no reliable records exist. In fact, most information about trapping as an economic activity consists of isolated brief mentions in the Cariboo Observer, such as references to one or two trappers coming into town, or advertisements inserted by travelling fur buyers.<sup>1</sup> Some local merchants bought furs as well, and presumably the trappers purchased all or most of their supplies from Quesnel merchants. Because most trapping was done in the winter months when mining operations slowed down and farmers were able to spend some time away from home, it seems likely that there was some movement between occupations on a seasonal basis.

Some native Indians were also involved in the fur industry, but for most of them it had not been the primary means of gaining a livelihood, since the gold rush. They continued to catch and preserve salmon in large quantities as they had done for centuries, hunting was still important, and vegetables were grown by at least a few of the Indians. Many of them migrated almost constantly, finding occasional wage-work or contracts to move freight by horse or canoe, working on cattle ranches in the South Cariboo and Chilcotin, and harvesting crops for farmers on a share basis.

As with the non-native trappers, the number of Indians in the region cannot be determined with any precision. Their history has never been systematically documented, and the fragments of information recorded at

the time can give no more than a very general picture of how or where they lived. The Indians were effectively excluded from the mainstream of economic and political life by the kind of racism directed at those who pose no threat--their control of the land had been effectively removed, they had no capital, and they lacked the inclination, education and industrial skills necessary for ongoing wage-employment.<sup>2</sup>

Indians were neither feared nor hated. As long as they remained poor, silent and unobtrusive, whites were quite prepared to defend what they regarded as the Indians' interests. For example, in October of 1909 the federal government decided for some unspecified reason that Indians would not be allowed to kill beaver for one season. The Cariboo Observer responded angrily, pointing out that:

At Fort George as elsewhere along the proposed route of the G.T.P., the advent of the white settler provides a means of wage-earning for those of the Indians who would work but north of Summit Lake [on the divide between the Pacific and Arctic watersheds] conditions remain practically unchanged, the Indian leads the Indian's natural life, his trap line and rifle alone supply him with food and money with which to buy the necessities of life, and to deprive him of the Beaver is to take away his staple articles of diet and means of support.<sup>3</sup>

But when, on occasion, some Indians managed to earn wages equivalent to those of white workers, the criticism was equally swift.<sup>4</sup> When Grand Trunk Pacific Railway surveyors and timber cruisers were active near Fort George, some Indians were employed as teamsters and canoe men for wages of \$2.50 to \$4.00 per day. By 1909 the surveys were almost completed, wages had fallen to \$1.50 per day, and the editor of the Cariboo Observer was pleased that "the day of the red man's ill-gained prosperity is now on the wane."<sup>5</sup>

Both trappers and Indians represent remnants of an earlier era when the fur trade was dominant throughout most of British Columbia, the trappers

because they were engaged in a marginal activity, and the Indians because they were a marginal people which had become dispensable. Not only were these groups small in number, but in economic terms they played only a minor role. The trappers produced commodities, some of which they sold to local merchants, and their income was exchanged for the goods offered for sale by the merchants. The Indians had a more complex role, being involved in hunting and gathering for direct consumption, trapping, wage-labour, and some subsistence agriculture. Their relative poverty minimized their role as consumers, because they had so little purchasing power. Unlike the merchants, farmers and wage-workers these two groups were not in a position to gain anything from railways and land settlement. In fact, economic development of the kind envisioned by the merchants could only harm them by encroaching on wild lands, displacing fur-bearing animals, and hastening the marginalization of native people.

## V.2 Wage-Workers

Between 1908 and 1921 the North Cariboo region did not have a permanent working class of significant size and importance (see Figure 11). But wage-employment did exist to some extent, and it served a number of functions. This section examines the role of the workers in the regional social structure, and their characteristics as a class.

For the purposes of this discussion, the working class is defined as all the individuals who, while living in the North Cariboo permanently or temporarily, gained their means of subsistence by exchanging their labour power for wages on an occasional or a permanent basis. This constitutes an objective category, rather than an identifiable set of individuals,

because the individuals who fit into this category were generally transient or were farmers who undertook wage-employment on a temporary basis. It is also useful to distinguish between periods when railway construction was going on in the Quesnel area and those periods which were more typical or 'normal'. Railway construction involved a huge temporary influx of men, making the wage-workers the largest single group in the entire population for short periods of time.

During the 'normal' years some wage-workers were employed directly by the merchants and branch banks in year-round jobs as clerks, tellers, accountants, hotel staff, waiters, waitresses, janitors, and so on. Another source of employment was government--both federal and provincial--which carried a permanent staff of bureaucrats and clerical employees in the post office, telegraph office, land office, and various other departments, as well as several school teachers and one or two nurses. On a seasonal basis the provincial government employed one ferryman and a variable number of road-workers--these jobs were temporary but were recreated regularly each year.

Less predictable employment was provided by a variety of sources, including a minimal amount of farm work at harvest time and jobs in merchant-owned sawmilling and transport activity. Contractors involved in logging and construction created a few more jobs on an unpredictable basis. Sometimes individuals worked for others on an ad hoc basis, in tasks like cutting and splitting cord wood, digging a garden, or painting a house--occasionally a few people made a living in this way for weeks or even months at a time.

Generally all the permanent jobs mentioned above were filled by people who lived in the town of Quesnel. Influential government employees and

skilled workers with recognized white-collar status tended to ally themselves with the merchant 'community leaders', becoming involved in the same political and social activities, but there was a considerable degree of turnover as individuals moved on to seek better opportunities and others moved in to take their places. Those who held the lower-status permanent jobs tended to be less involved in political and social organizations, and they also were generally transient.

Short-term jobs of all kinds were taken by a great variety of types of people. These included local farmers in search of ready cash, skilled tradesmen brought in for a special task, would-be settlers saving money to establish a homestead, single men who drifted from one job to another, Indians, and Chinese labourers.

To this point discussion has focussed on the working class as it existed under 'normal' conditions. All segments of this class were directly integrated into the local economy in two ways: as workers, in terms of their relations with employers, whether local capital or the local branch of the state; and as consumers in terms of their relations with merchants and farmers. But despite this complete integration neither the working class as a whole nor any part of it ever became a significant force in local politics, in comparison with the influence exercised by the merchants and farmers. This inactivity was probably due to a large number of factors, particularly the fact that most workers were unable or unwilling to establish roots in the community. The most feasible and most common response to perceived injustice was to look for a better job rather than try to improve a given situation.

An incident which took place during the summer of 1913 illustrates the situation very well:



The crew of the Reid Est. sawmill went on strike last Monday morning for a nine-hour day with ten-hour pay. The mill is still running, however, though with a reduced crew. Most of the strikers have already secured positions with road camps in the vicinity.<sup>6</sup>

This is the only recorded instance of an action by labour against a local employer, and it appears to have failed because the strikers did not pursue the issue and took other jobs instead. The fact that the strike took place at all may be partly due to the fact that the Reid Estate was owned and to some extent managed by Mrs. Charlotte Carey of Vancouver, who apparently was disliked by the local merchants for an unknown reason.<sup>7</sup> Therefore the strikers did not have to face the kind of antagonism which could have resulted from a direct confrontation with an employer who was a full member of the community.<sup>8</sup>

The large number of railway construction workers who descended on Quesnel during 1914 and 1920-21 had a distinctive role in several respects. They were not employed by local capital--instead, they worked for construction contractors who established temporary facilities in the North Cariboo and moved on when the work was complete.<sup>9</sup> These workers were connected to the local economy in a particular way, as consumers who increased the sales of local merchants and indirectly provided a market for the farmers. Those who came in search of jobs and failed to get them provided the same kind of stimulus to the local economy, although to a lesser degree.

Although this influx of labourers was welcomed because of the money they would spend, they were also regarded as a nuisance or even a threat. In the spring of 1914 many of the merchants installed safes, and a number of them got together and hired a night watchman.<sup>10</sup> The railway workers, most of whom were 'foreigners' of many nationalities, were generally regarded as a crude and violent lot. In anticipation of the problems they would cause,

Provincial Constable Halley received instructions this week from the Chief Constable to close up the red light district here, and in view of the near approach of construction work, to keep the houses closed. He immediately gave the occupants a week's notice to vacate the premises.<sup>11</sup>

Police court sessions were held almost daily after the workers began to arrive, most of them dealing with 'drunk and disorderly' charges.<sup>12</sup> Within a few months there were two murders,<sup>13</sup> and an indignant Quesnel resident wrote to the Vancouver Sun to complain about the chaos. The newspaper responded with an editorial headed 'Quesnel's Shame' in which it criticized the Attorney-General for his inaction in the face of "the unlicensed vice that has made Quesnel a horror spot for decent people."<sup>14</sup>

In 1920 and 1921 the same pattern repeated itself, except that now fines were being levied against bootleggers as well as drunks.<sup>15</sup> A new concern also made itself known--militant unionism. The editor of the Cariboo Observer, in his usual farsighted manner, launched an editorial attack on the One Big Union before the labourers had even arrived.<sup>16</sup>

Shortly afterward he reported that:

A member of the Royal Canadian Mounted Police, from the patrol station at Prince George, arrived here last Saturday. This famous corps is at present looking into the activities of the Bolshevik sympathisers, and we understand that two members of the patrol are likely to be stationed here in this connection.<sup>17</sup>

But the concern turned out to be somewhat exaggerated. It was not until July of 1921 that a strike took place--60 new men were immediately brought in from Vancouver and the work continued.<sup>18</sup>

Virtually none of the construction labourers settled in the North Cariboo after the railway work had ended. Nobody knew where they had come from, and few people cared. They never became a recognized part of the community even on a short-term basis, and their experience was not documented because those who had the means to do so did not consider it to

be worthwhile.<sup>19</sup> After they had gone the only evidence of their passing was the railway line that had been awaited for so long.

FOOTNOTES--CHAPTER V

1. For example, see the Cariboo Observer, January 3 and March 21, 1914; April 13, April 20, November 30 and December 14, 1918; January 3 and February 14, 1920.
2. The Crown claimed ownership of all lands which had not yet been handed over to speculators and settlers. Indians did have the right to hunt and fish on Crown lands, but these rights were eroded over the years. It was not until 1949 that Indians obtained the vote in provincial elections; in 1960 they were able to vote in federal elections for the first time.
3. Cariboo Observer, October 16, 1909.
4. In 1908 the standard wage for a labourer engaged in government road work was \$3.50 per day (Cariboo Observer, November 14, 1908). This is assumed to be an average wage.
5. Cariboo Observer, June 26, 1909.
6. Ibid., August 9, 1913.
7. The feud had become explicit two years earlier. In August of 1911 the Board of Trade had demanded that the Reid Estate remove its unsightly windmill on the bank of the Fraser River. The demand was not met, and the windmill was burned down by unidentified arsonists (Cariboo Observer, August 5, 1911). In November of that year the Reid Estate sawmill also burned down under mysterious circumstances, and the Reid Estate responded by placarding the town and offering a reward for information about the fires. In December the Board of Trade Executive Council met to discuss the affair, but it "was inclined to treat the matter with the contempt it deserves, and therefore no action was taken." (Cariboo Observer, December 30, 1911).
8. It is significant that the strikers took jobs in road camps--if they had been perceived as a threat to the merchants the Conservative Association could probably have denied them access to these jobs.
9. During 1914 the railway construction work near Quesnel was carried out by the firm of Burns & Jordan. In 1920-21 it was done by Murdoch & Company, subcontracting for the Northern Construction Company.
10. Cariboo Observer, May 2 and 16, 1914.
11. Ibid., November 29, 1913.
12. In June of 1914, for example, twenty-nine cases were heard in the Quesnel court (Cariboo Observer, July 4, 1914).

13. Cariboo Observer, August 22 and October 10, 1914.

14. Vancouver Daily Sun, August 15, 1914.

15. Prohibition had been instituted after a referendum in 1916. The impossibility of enforcing it led to another referendum in October of 1920, which decided in favour of government-controlled sale of liquor (Martin Robin, The Rush for Spoils: The Company Province 1871-1933, Toronto, 1972, p. 160, p. 181). But it was not until August of 1921 that the Liquor Control Board appointed a vendor for Quesnel (Cariboo Observer, August 6, 1921).

16. Cariboo Observer, January 10, 1920.

17. Ibid., February 14, 1920.

18. Ibid., July 30 and August 6, 1921.

19. Some understanding of what kind of people these labourers were, how they lived, and how they worked, can be gained by reading accounts of similar situations elsewhere in the Canadian West during the early part of this century. For example, see Edmund Bradwin, The Bunkhouse Man, A Study of Work in Camps of Canada, 1903-1914 (New York, 1928); Jack Scott, Plunderbund and Proletariat: A History of the IWW in B.C. (Vancouver, 1975).

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CHAPTER VI : THE AFTERMATH OF THE BOOM, 1922-1933

The railway boom in the central interior of British Columbia, which was actually a boom built on expectations rather than substantial economic development, was already winding down by the time the railway reached Quesnel in the fall of 1921. A period of economic stagnation and uncertainty followed, during which gold mining continued at its usual faltering pace. The failure of agriculture to become a basic activity hinged upon the unexpectedly high cost of rail transport, and no other staples or manufacturing industry emerged to provide an economic base for the region.

The 1920's and early 1930's were years during which each group in the population struggled to survive in its own way, with varying degrees of success. This chapter is an investigation of the means used by the merchants and farmers to cope with the new conditions. Because the social structure of the region remained basically unchanged, it has been assumed that the logic underlying each group's means of coping was also unchanged. This assumption is strengthened by the fact that many of the earlier trends (discussed in Chapters II - IV) continued to be evident after 1921. These ongoing trends are not discussed in any detail in this chapter, although they are mentioned when necessary--rather, the emphasis is on trends which appear on the surface to be new departures but are actually variations on established themes.

Also in the interests of avoiding repetition, no attention is given to wage-workers, trappers and native Indians during the 1922-1933 period. Their roles remained qualitatively unchanged by the arrival of the railway, there is no indication that their numbers relative to the remainder of the population changed significantly, and therefore their economic importance

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as producers and consumers also remained unchanged.

Conditions changed substantially in 1933, when a new rush to the Cariboo goldfields began. Unlike the first Cariboo gold rush, the attraction was quartz gold which could only be exploited by large operations--by December of 1933 some 400 men were steadily employed in 18 mining camps near Barkerville.<sup>1</sup> This spurt of growth prompted substantial changes in the structure of the regional economy, with dozens of new businesses being opened by newcomers, merchants from Prince George and Vancouver opening branch stores, and some established Quesnel merchants expanding their operations by opening stores in the goldfields. The population as a whole grew rapidly for several years after early 1933. For these reasons the study period ends at 1933.

#### VI.1 Freight Rates as an Obstacle to Growth

The Pacific Great Eastern Railway's failure to initiate the prosperity that had been promised by the boosters was due to a number of factors, of which the most immediate expression was the freight rate structure. Although no records of freight rates for goods going to and from Quesnel have been preserved by the railway company, other kinds of evidence indicate that the rates were unexpectedly high.<sup>2</sup> For example, in the spring of 1923 one observer wrote that:

The farmers of the Cariboo are placed in a peculiar position, for although there are thousands of acres of arable lands that will grow any kind of crops, they are handicapped by not having a market for their produce within reach of where it is grown. So far, the transportation charges prohibit them competing on a favorable basis at the coast markets.<sup>3</sup>

This view is reinforced by the fact that only on rare occasions was bulky

agricultural produce exported from the region. The Cariboo Observer complained in frequent editorials about the situation, once stating that freight rates on the P.G.E. "exceed prairie rates by a full one hundred percent."<sup>4</sup>

The explanation of these high freight rates, as well as the fact that the railway remained uncompleted at both ends, lies in the course of British Columbia's economy and politics during the 1920's. The provincial government found that it owned a partially completed railway with an enormous debt. A succession of Liberal and Conservative governments proved incapable of making a firm decision as to whether the line would be completed, abandoned, sold, or given to the federal government. Even before the line reached Quesnel in late 1921, Premier Oliver, a Liberal, had asked Prime Minister Meighen to make the P.G.E. part of the Canadian National Railway system, but had received no response. Early in 1922 three railway experts were appointed to investigate the railway--their reports concluded that it would always be a huge burden. In the fall of 1925 Oliver promised a huge land grant to potential buyers of the railway, but none could be enticed, although rumours circulated constantly. After Oliver's death, Premier John MacLean introduced a bill in the spring of 1928 to borrow money for the completion of the P.G.E., but he quickly changed his mind, declaring during the summer election campaign that he hoped to sell it to the Canadian National Railway. After the Conservatives were elected field surveys were conducted to determine the cost of extending the line, but when the Great Depression struck action became impossible.

The P.G.E. question was related to a host of other political and economic problems. The railway's huge debt made it a consistent money-loser--revenues from the uncompleted line were always less than its operating costs



and debt charges. The provincial government could not, or at least did not, provide subsidies on a scale which would have reduced freight rates and stimulated significant resource development along the line. The incentive to undertake huge borrowings and complete the line into the Peace River wheat country was undermined by the relatively high cost of credit during the 1920's, and by the fact that the federal government owned most of the land in the Peace River area. No provincial government undertook the risk involved in completion of the line, the federal government did not want to take on such a huge liability, and abandonment was impossible because the whole interior of the province would have turned against any politician who dared to suggest it.

The net result of this situation was that expectations in the North Cariboo were not realized. But at the same time the fact that no government was willing to accept the consequences of complete abandonment of the line meant that a trace of hope always remained. Most people were reluctant to move out of the region, choosing instead to gamble on the remote possibility that the line would be completed or that the government would eventually be willing and able to reduce freight rates.

#### VI.2 The Merchants' Response

Although the wild boosterism of the previous decade was already being moderated by the time the railway arrived in 1921, it took approximately one to two more years before a consensus was reached about future prospects. Rumours circulated constantly, politicians made statements of intent that were not followed by action, and opinion was divided over the effect the railway would have on the North Cariboo economy.

On the whole, the number of businesses in Quesnel did not decrease significantly after 1921 even though the local market was smaller than it had been while railway construction was under way. A number of transient merchants moved on at the end of 1921 when construction ended, but Cariboo Observer reports indicate that during the next few years some new businesses were opened (see Figure 8). Most of these were very small, and most of the enterprises established during the 1908-1921 period declined as well, indicating that the average merchant's sales during the 1922-1933 period must have been lower than during the railway boom.

For those merchants who had hoped for an influx of mining capital stimulated by the reduced cost of importing heavy machinery, future prospects were not at all clear. As early as January of 1922, only a few months after the railway had arrived, T.A. Blair, a pool-hall proprietor at the time, wrote in a column in the Cariboo Observer that "Mining camps, like empires, rise and fall, in compliance with the law of evolution....This is as natural as the law of gravitation."<sup>5</sup> The column was headed "The Receding Days of Cariboo," and Blair's fatalism is self-evident. Several months later a prospector named Armstrong expressed a more optimistic view. His column was entitled "Will Cariboo Come Back?," and it argued that:

With the completion of the P.G.E. railroad making it possible to obtain freight and supplies at a reasonable price, the mineral wealth of the Cariboo will be opened up....<sup>6</sup>

Within approximately one year, it became clear to all that the mining companies were showing little interest in the North Cariboo, and that the railway would not immediately stimulate agricultural settlement or production. Regular editorials in the Cariboo Observer and demands by the Board of Trade had no effect in terms of getting freight rates reduced. In this situation the primary concern of the merchants was to maintain the existing market.

Efforts to promote settlement continued as before, but the effect of these efforts appears to have been mere replacement of the few settlers who were leaving the area, rather than a net immigration.<sup>7</sup>

Efforts to enlarge the market area continued as well, resulting in piecemeal improvement of roads, trails, and other facilities. This strategy met with some success--for instance, in June of 1924 the Board of Trade asked the P.G.E. to build stock-shipping facilities at Quesnel so that ranchers at Nazco, a village west of Quesnel, would ship their cattle via Quesnel rather than Williams Lake as they normally did.<sup>8</sup> The railway company complied with the request, and in the fall of 1925 the first shipment of Nazco cattle left Quesnel for Vancouver.<sup>9</sup>

Another shipment of twelve railway carloads passed through in October of 1926.<sup>10</sup> The Board of Trade quickly supported this favourable trend by endorsing the request of some Chilcotin ranchers for a road connecting the Chilcotin region to Nazco.<sup>11</sup> This road was not built, but Nazco cattle continued to be shipped from Quesnel. When a bridge across the Fraser River was opened in March of 1929, the link with the settlers on the west side of the river was strengthened further.<sup>12</sup>

In the absence of economic growth, most merchants were forced to become more conservative in the internal operation of their businesses. This was manifested in several ways. Some, such as J.C. Cowan of the Cowan Supply Company, were forced to streamline their operations by greater specialization. In January of 1922 Cowan discontinued his line of groceries, and later that year he stopped carrying a stock of clothing.<sup>13</sup> By early 1927 he had lost his Ford automobile dealership as well.<sup>14</sup>

Another response, which was evident only in times of severe crisis, was the curtailment of 'store credit'. This happened twice in the 1922-1933

period: once in the winter of 1922, after a summer of poor crops, and again at the onset of the Great Depression.<sup>15</sup> It is not clear whether all merchants resorted to this approach, or whether the policy was applied to all customers equally.

Occasionally the limited demand for the merchants' goods forced some of them into open competition, something which did not occur before 1921. In the summer of 1923 Reginald Boothe, a long-time employee of John A. Fraser, quit his job and opened the Reginald Boothe Cash Grocery Store. For the next three years Fraser and Boothe sponsored most of the grocery advertisements in the Cariboo Observer, and in the fall of 1926 the competition became particularly fierce. Their advertisements often announced the same goods (of different brand names) at equal prices, and by early 1927 Boothe's advertising stopped. It appears that Fraser won the struggle, because in August of 1927 Boothe's stock was sold at a bankruptcy auction.<sup>16</sup> As a further illustration, in the summer of 1932 a Fred Clarke of Vancouver moved to Quesnel and opened a grocery store. He undertook an advertising campaign to which Fraser and another established merchant responded in kind. Clarke was not driven into bankruptcy, but within a few months he stopped advertising and appeared to accept a secondary position.

The 'buy-at-home' campaign, which was an ongoing phenomenon throughout the 1908 to 1921 period, was continued and even intensified after 1921. Cariboo Observer editorials condemning mail-order houses appeared with monotonous regularity, even when the newspaper was publishing advertisements for the T. Eaton Company, Canada's largest mail-order house. The editor never commented on this apparent hypocrisy. The campaign became particularly intense when Arthur Martley of Lillooet moved into Quesnel

and opened the Art Mart Agency Store in 1927.<sup>17</sup> His store was an agency for companies like National Mail Order House of Canada Ltd. and Studebaker Watch Company. What had been a relatively intangible problem for the merchants suddenly became a physical presence, and the vigorous editorializing of the Cariboo Observer can not be interpreted as anything but a direct attack on Martley. By March of 1928 he had returned to Lillooet.<sup>18</sup>

On the political level, the merchants were unable to regain effective control. John Yorston, the Liberal farmer from Australian, continued to represent Cariboo in the provincial house until he lost his seat in July of 1924. Since 1920 Oliver's Liberal government, plagued by disunity within the party and a gradual loss of public support, had found itself in an ongoing predicament. On the one hand Liberals of all ranks clamoured for increased patronage benefits, leading to a gradual reversal of the government's anti-patronage position. On the other hand tax revenues were low, and could not be raised at the risk of frightening resource capital out of the province.

While the image of the Liberals slowly crumbled, the Conservatives were persistently hampered by their history of reckless giveaways during the McBride era. The gap was filled by the Provincial Party, which emerged during 1922 and 1923 from the United Farmers of British Columbia, an organization founded in 1917 to promote social and economic co-operation between farmers.<sup>19</sup> During the first few years of its existence the U.F.B.C. steadfastly avoided political action, restricting itself to demands for "...an end to a variety of pests and nuisances ranging from gophers and noxious weeds to Orientals."<sup>20</sup> When it finally decided to follow the lead of its militant counterparts in Alberta, Saskatchewan, Manitoba and Ontario, the U.F.B.C. did so half-heartedly. It linked up with dissident Liberals

and Conservatives and a decision was taken in the winter of 1922-23 to form a party devoted to reform and 'good government'. The farmers were soon lost in the shuffle, and General Alexander D. McRae, a millionaire entrepreneur with interests in land, fisheries and timber, became the fledgling party's first leader.

The Provincial Party's goal was to achieve power by exposing the corruption of both 'old parties'. Although it gained only three of 48 seats in the 1924 election, it did succeed in undermining Liberal support to the point where the Liberals were left in the uncomfortable position of forming a government with only 24 members.

Several locals of the U.F.B.C. had been organized in the Quesnel area after 1921, and when the leaders of the new Provincial Party visited Quesnel in June of 1923 local support for the party began to grow. A year later the Quesnel Provincial Party Association was formed--its members included merchants and farmers, former Liberals and former Conservatives.<sup>21</sup> But this form of class alliance was short-lived. During the election campaign of 1924 the Quesnel merchants did not mount an effective campaign--the Cariboo Observer supported no one candidate but constantly criticized the Liberals, mainly because of their lack of a railway policy.<sup>22</sup> The result was that both John Fraser, the Conservative candidate, and John Yorston, the Liberal, were defeated by D. Stoddart, a Provincial Party candidate from Clinton at the far southern end of the constituency.

The Quesnel area was effectively out in the political cold. With a Provincial Party member in a legislature where Liberals formed the government, the merchants could not hope to become part of the meagre Liberal patronage system. As an illustration, in November of 1924 a tax sale of mineral claims in the Quesnel Forks Assessment District (of which Quesnel

was a part) was advertised not in the Cariboo Observer, but in a newspaper in Prince George where a government member had won the seat (the sale was called off because nobody attended).<sup>23</sup> No major public works projects were undertaken until 1926 when a new bridge was built across the Quesnel River--the contract went to an outside contractor, and the timber for the bridge was brought from Vancouver even though it could easily have been provided locally.<sup>24</sup> Again, the Quesnel merchants were bypassed. Another severe blow came in the form of a significant reduction of the Cariboo's share of provincial expenditures on road-work (see Figure 12).

In the election of 1928 Cariboo elected a Conservative from Williams Lake, the Conservatives formed the government, and rewards were forthcoming immediately. Both Liberals and Conservatives had promised before the election that a bridge would be built across the Fraser River. Although the contract for the substructure had already been awarded to an outsider by the previous government, a local firm was asked to supply the piling timbers.<sup>25</sup> Some of the expenditures stemming from construction of the superstructure were also channelled through the hands of local merchants. This was done by calling for tenders, rejecting them all, and then performing the work with day-labour under the supervision of the local Public Works Superintendent.<sup>26</sup> There is no way to determine exactly how much money was involved or how it was spent, but it is reasonable to assume that the Conservatives' patronage system was functioning normally. When the Great Depression began, government expenditures were cut back drastically and the patronage system became much less relevant to the merchants because few rewards could be dispensed to anyone.

The fact that the Quesnel merchants were politically impotent at the provincial level during most of the 1922-1933 period may be a partial

explanation of the successful move to incorporate Quesnel as a village in 1928.<sup>27</sup> The initiative came from the merchant-controlled Board of Trade, was supported by the Cariboo Observer, and was carried out in a routine manner; the Board of Trade called a public meeting which voted to ask the government to hold a poll on incorporation, the poll was held and passed, and the government passed legislation to incorporate the village in March of 1928. But before the first election of commissioners had been held, the three appointed commissioners, who had been recommended by the Board of Trade, hired A.S. Vaughan to fill the position of village clerk. The three commissioners were Conservatives, and Vaughan was a Conservative. Money was also spent before the election, to clean up the streets, repair the sidewalks and replace the cemetery fence. On May 29, 1928, an election was held and three merchants were elected to the board--two were Conservatives, one was a Liberal. Less than one year later another election took place and three Conservatives were elected.<sup>28</sup>

The significance of these events lies in their consequences after the incorporation, rather than in the campaign leading up to the incorporation. The change of Quesnel's status from a provincial townsite to a village transferred several kinds of powers from the provincial level to the village board of commissioners, including control of building standards, assessment of property and collection of taxes, the allocation of tax revenues to various kinds of public works, and a host of other powers. Rather than the provincial government spending local property taxes in whatever way it saw fit, Quesnel merchants were now able to exercise that power. At the same time they had an automatic right to certain kinds of grants paid by the province to municipalities. To illustrate the scale of these financial resources, in the first nine months after incorporation



the village's total revenues were \$4,403.30; \$2,335.93 came from local property taxes and business licenses, the remainder from the provincial government.<sup>29</sup>

The policies of the village board no doubt had a beneficial effect on Quesnel's appearance and quality of life. The streets were kept in good condition, street lights were installed, traffic was regulated, and subsidies were given to the local hospital. Property damage and risk to human lives were reduced by improved fire protection. A contract was signed with a group of Vancouver investors who provided electricity and water services. But a more general long-term effect of incorporation was the enhancement of Quesnel as a site for industry to locate. Even before a vote on incorporation had taken place, a Vancouver brokerage firm wrote to the Board of Trade about establishing a pulp mill at Quesnel, on condition that 40 to 50 acres of land be provided free of charge. The Board referred the matter to real estate agent A.S. Vaughan, who later became the village clerk.<sup>30</sup> In the summer of the following year, the Cariboo Observer reported that:

A rumor has been prevalent in town for the past couple of weeks that a company has been formed for the purpose of erecting a big sawmill on the Quesnel River, a mile or so above the bridge. We have been unable to confirm the rumor, but trust it to be fact.<sup>31</sup>

One year after that, the newspaper announced that the International Development & Holding Company was planning a hydro-electric dam and pulp mill for Quesnel.<sup>32</sup> All these prospects did not materialize--the reasons are unclear--but it appears that incorporation of the village made it more attractive to investors. This result accorded with the wishes of the merchants, who welcomed investment of any kind as long as it offered the possibility of an expanded market.

The same logic underlay an apparently new phenomenon which developed after 1923. This was an ongoing effort to promote tourism based on outdoor recreation, particularly hunting. Hunters had been coming to the area for many years, but their numbers increased significantly after 1922. They came from all over North America, and were "mostly men of wealth."<sup>33</sup>

The major attractions were grizzly bear, caribou, and toward the end of the decade moose were much sought after. Sometime in 1923 the Cariboo Automobile Association was formed to promote tourism by spreading information, and in 1926 the Cariboo Angling Society was actively urging the federal government to stock streams and lakes with fish and protect them while spawning.<sup>34</sup> Also in the spring of 1926, the Board of Trade discussed an "auto campsite" for tourists--several weeks later it was announced that a "citizens' committee" was to lease four acres of land for such a campsite.<sup>35</sup> There are no statistics indicating how many tourists visited the area or how long they stayed, but it is clear that they must have increased retail sales to some extent.

Yet another variation on the same theme appeared after the onset of the Great Depression. One way in which the provincial government responded to the unemployment crisis was by encouraging people to adopt primitive forms of production which might allow them to subsist without draining relief funds. In the spring of 1932 it passed legislation to allow residents of the province to stake and work small placer gold claims without paying the usual fees. The Cariboo Observer commented:

The government is taking this method to encourage the staking and working of small claims, in the hope that it will alleviate in some measure the unemployment situation by encouraging the unemployed to work for themselves.<sup>36</sup>

What the government did not make clear is that inexperienced miners

with no capital could not hope to put together anything but a crude operation which permitted only a sub-standard living, if any. The days of labour-intensive placer-mining had passed 60 years before, when all the best deposits were worked out. Nevertheless, some of these small outfits were already in operation the year before the government took this step.<sup>37</sup>

To the Quesnel merchants the government's decision to encourage this existing trend was a mixed blessing and a cause for humanitarian concern.

The editor of the Cariboo Observer expressed his concern this way:

There are a number of prospectors arriving in the Cariboo at the present time, most of them en route to the Barkerville section. Quite a number of these are experienced men from the southern interior, but there are a lot of them who know next to nothing about the mining game, and these are the men who will suffer in the long run.<sup>38</sup>

But the editor was not consistent in his view. At other times he referred to the unemployed men in search of a way to survive as "the tramp nuisance" and "worthless bums."<sup>39</sup> In the end, practical concerns won out and he proclaimed in a front page article that:

...the town has the advantage of being able to outfit all who desire to prospect, the local stores being well supplied with all the needs of the prospector.<sup>40</sup>

In short, the prospectors and even those who remained unemployed contributed in some measure to local demand, whether by spending their savings or exchanging their gold for goods.

In summary, the merchant class in the 1922-1933 period continued to pursue the same fundamental objectives identified in Chapters II and III. They tried to maximize demand, minimize costs, and attract new investment. Because no new opportunities for minimizing costs presented themselves--with the exception of reduction of freight rates on the P.C.E., a virtual impossibility--little energy was expended in this direction. Rather, most strategies were intended to increase or maintain the level of demand for

( ) goods and services. Accordingly, settlement was promoted as before, efforts to increase the size of market area persisted and met with occasional success, and consumers were reminded more frequently that spending money outside the region was a form of treason. No significant new investment was attracted, despite the merchants' continual efforts, but some tourists were successfully enticed to bring their money to Quesnel. The Great Depression presented another opportunity when placer miners began to work the gravel bars in an effort to eke out a bare living--the merchants did not cause this phenomenon, but they welcomed it for economic reasons.

#### VI.3 The Farmers' Response

For the homestead farmers, the years from 1922 to 1933 were a time of hardship. The difficult balance between subsistence agriculture, production for the market, and off-farm wage-labour became much more precarious, and farmers found that various kinds of pressures were forcing them to rely ever more on subsistence activities and seasonal wage-labour.<sup>41</sup> The basic reason for this trend was the high freight rates on the P.G.E., which effectively prohibited new agricultural exports, as the Cariboo Observer frequently pointed out:

It is an absolute impossibility to settle a country unless the freight rates on the railway lines that serve that country permit the settlers to do business with world markets at a profit. High freight rates on the Pacific Great Eastern will more than offset the effect of any money the Pacific Great Eastern may spend to bring in settlers. For every new settler brought into the country by P.G.E. publicity, three old settlers will be driven out of the country by P.G.E. freight rates.<sup>42</sup>

Butter from the co-operative creamery was still being exported, however--this is discussed below. On rare occasions some other produce such as turnips or potatoes were shipped out on the railway, but these shipments

were such a novelty that they received special mention in the newspaper. During the same period the local market did not expand either--in fact, it may have become smaller because the railway and the automobile were replacing horses, thereby reducing the demand for hay and grain.<sup>43</sup>

These conditions did not make agricultural settlement an attractive proposition. As noted above, settlers came and went continually. In the spring of 1922 the influx was greater than usual because the effect of the railway was not yet clear, but this was a temporary phenomenon.<sup>44</sup> Most of the established farmers stayed on, and on the whole the size of the agricultural population appears to have remained constant.

Although no significant new export opportunities were created by the railway, organized efforts to maintain existing exports continued. The key to this strategy was the co-operative creamery, which had opened in June of 1921. It appears that during the first two years of operation some problems were encountered in finding buyers outside the region even though butter exports were feasible, and John A. Fraser was called on to assist the co-operative.<sup>45</sup> But by the spring of 1924 butter was being shipped to Barkerville and settlements along the P.G.E. as far south as Squamish, and the P.G.E. was buying some for its maintenance camps and bridge crews.<sup>46</sup>

Production increased over the years, from 32,261 lbs. in 1922 to 55,331 lbs. in 1929 (see Figure 13).<sup>47</sup> Even more important, payments to farmers for cream increased from \$10,444 to \$16,788 during the same period. The number of cream suppliers fluctuated only slightly, ranging from 61 to 69 (based on four years for which this information is available), which means that each farmer's gross income from cream production rose from approximately \$158 to approximately \$254 per year during the 1922-1929

period. At a time when wages for road-labourers were in the order of \$4 per day, and a skinner with a heavy team earned \$90 per month, these incomes from cream shipments were relatively very small.<sup>48</sup>

At the beginning of the Great Depression butter prices, like the prices of most other commodities, began to fall dramatically. Production fell as well, from 55,331 lbs. in 1929 to approximately 30,000 lbs. in 1933. At the same time farmers in other parts of the interior, desperate for new sources of income, began shipping cream to Quesnel; this means that more cream shippers were producing less cream. A combination of declining production and falling prices implies that a drastic curtailment of an already small income took place in the early 1930's.

Attempts to promote other exportable commodities were half-hearted and largely unsuccessful. The Cariboo Farmers' Institute, the only body with means to take substantive action, was unable to act decisively although discussions were carried on. Its momentum appears to have been dissipated during the early 1920's by a combination of two factors: the apparent initial success of the creamery undermined participation in the Institute, as reflected in the decline of membership from 72 in 1917 to 32 in 1921 to 17 in 1922;<sup>49</sup> and the situation was confused further when several locals of the United Farmers of British Columbia sprang up in the area after June of 1921, apparently leaving many people uncertain about which organization was best suited to serving the farmers' needs.<sup>50</sup>

By 1925, however, the United Farmers were on the decline and the Cariboo Farmers' Institute resumed its leading role by calling a meeting of all farmers in the area to discuss the co-operative buying and selling of all kinds of farm products.<sup>51</sup> By March of that year arrangements had been made to market eggs. As George Armstrong, a director of the organization,

explained:

The big advantage, of course, will be that we will be able to dispose of all our eggs, without a doubt. We will not be in the position where, when eggs are plentiful, we will have to peddle them at the stores, and then 'take it out in trade'.<sup>52</sup>

It appears that this movement did not progress well, however, because by the fall of 1927 John A. Fraser was asking farmers to come to him individually to discuss marketing of their crops.<sup>53</sup> Further evidence of its failure is the fact that in 1937 the same issue was raised again, and co-operative marketing was rejected as too risky.<sup>54</sup>

The farmers' failure to develop agricultural exports (with the exception of butter) made them even more dependent on the local market. This placed the merchants in an advantageous position, because the knowledge that the farmers had no option but to sell to the merchants tended to keep prices paid to the farmers relatively low. As indicated by one farmer in the quotation cited above, the merchants sometimes refused to buy eggs unless the farmers immediately purchased other goods in exchange. The farmers' vulnerability was exposed in another way in 1933, when some merchants imported butter, eggs and early vegetables from Alberta and the Vancouver area in order to drive down local produce prices.<sup>55</sup> Not only were prices paid to farmers kept low, but the volume of demand did not increase until the summer of 1933.

In this situation, off-farm wage-labour took on added importance. It was by no means a luxury in that it provided 'extra' cash--it was critical to the survival of most farmers. Seasonal road-work provided some job opportunities each year, although competition for these jobs was fierce, particularly after 1925 when the government replaced four-horse teams with tractors, thereby eliminating some of the higher-paid jobs.<sup>56</sup> By 1933 the farmers had problems paying their taxes, and many of them went back to

( - ) doing road-work with their teams in lieu of tax payments.<sup>57</sup> Other work, such as construction or freighting to the mines, became available from time to time. Up until the Depression, there was a temporary exodus to the prairies during each harvest season, and some women travelled to the Okanagan Valley to pick fruit each summer.

In general, the farmers were being squeezed from every side during the years 1922 to 1933. The North Cariboo did not become a significant exporter of agricultural produce, the local market was small and not growing, and opportunities for seasonal wage-work were decreasing to the point where temporary migration to other regions became necessary. At the same time most farmers were reluctant to leave the area in search of better opportunities because the P.C.E. question remained unsettled, and many of them continued to hope that the line would be completed in the near future.



FOOTNOTES--CHAPTER VI

1. Cariboo Observer, December 23 and 30, 1933.
2. Personal communication with Mr. Hugh Armstrong, Executive Assistant to the Vice-President and Director of Public Relations, British Columbia Railway, Vancouver, B.C., November 28, 1977.
3. G.H. Greenwood, Chief Constable of Lillooet Police District, Annual Report to Superintendent of Provincial Police, 1922. Cited by Cariboo Observer, March 24, 1923.
4. Cariboo Observer, March 1, 1924. On the face of it, this statement means little. To make an accurate comparison of freight rates on two different railways one would have to consider many factors, such as distances involved, the number of transshipment points, the type of goods being moved, the time involved, and so on. But the point here is that in the editor's judgement the rates were inordinately high.
5. T.A. Blair, "The Receding Days of Cariboo", in the Cariboo Observer, January 28, 1922.
6. E.E. Armstrong, "Will Cariboo Come Back?", in the Cariboo Observer, April 22, 1922.
7. For example, in October of 1922 the Board of Trade appointed a committee to compile information to be provided to the provincial Land Settlement Board, in the hope that this would influence the board to direct settlers toward the North Cariboo (Cariboo Observer, October 14, 1922). Occasional reports in the Cariboo Observer throughout the 1920's indicate that small numbers of settlers were coming and going all the time.
8. Cariboo Observer, June 14, 1924.
9. Ibid., November 21, 1925.
10. Ibid., October 2, 1926.
11. Ibid., October 16, 1926. The Board took the matter up again three years later (Cariboo Observer, July 6, 1929).
12. Ibid., March 9, 1929.
13. Ibid., January 28, 1922 and October 14, 1922.
14. Ibid., March 12, 1927.
15. The curtailment of credit was announced by newspaper advertisements. For example, see the Cariboo Observer, October 21, 1922.
16. Cariboo Observer, August 6, 1927.

17. Ibid., July 2, 1927.
18. Ibid., March 10, 1928.
19. A good analysis of the rise of the Provincial Party and the peculiar nature of agrarian politics in British Columbia is found in Margaret A. Ormsby, "The United Farmers of British Columbia--An Abortive Third-Party Movement", British Columbia Historical Quarterly, Volume XVII, 1953, pp. 53-73.
20. Martin Robin, The Rush for Spoils: The Company Province 1871-1933 (Toronto, 1972), p. 173. Based on a report in the Canadian Annual Review, 1978, p. 472.
21. Cariboo Observer, May 17, 1924.
22. Ibid., May 24 and 31, 1924.
23. Ibid., November 8, 1924.
24. Ibid., June 12, 1926. It is possible, of course, that no local contractor had the skills and equipment for such a task.
25. Cariboo Observer, August 4, 1928. The contract was awarded to the Johnston brothers, perennial Conservative supporters.
26. Cariboo Observer, September 1, October 13 and December 15, 1928.
27. Information about the incorporation of Quesnel, and related questions, was taken from various issues of the Cariboo Observer, October, 1927 to June, 1928.
28. Cariboo Observer, February 2, 1929.
29. Ibid., January 26, 1929.
30. Ibid., January 14, 1928.
31. Ibid., August 3, 1929.
32. Ibid., October 18, 1930.
33. Ibid., March 3, 1923.
34. Ibid., August 9, 1924 and May 15, 1926.
35. Ibid., February 27 and March 13, 1926.
36. Ibid., March 5, 1932.
37. Ibid., October 17, 1931.

38. Ibid., April 30, 1932.
39. Ibid., May 20, 1931.
40. Ibid., July 23, 1932.
41. The North Cariboo was not the only region in British Columbia where people lived with one foot on the farm and the other in a different kind of economic activity. Settlers in the Bulkley Valley - Lakes District of northwest British Columbia found that conditions encouraged off-farm work, as Jack Mould explains: "The stump-farmers gradually became integrated into the tie industry as they realized the futility of trying to clear and farm marginal land. They revised their life style, now being content to use their homesteads to raise gardens, and grow enough hay to feed a milk cow or two and a team of horses, but basically as a home base for their woods operations." (Jack Mould, Stump Farms and Broadaxes, Saanichton, B.C. and Seattle, 1976, p.37).
42. Cariboo Observer, March 1, 1924.
43. This is borne out by Earl Baity, a long-time resident of Quesnel, in a column headed "Arrival of Railroad Ruins Economy" in the Cariboo Observer, June 8, 1977.
44. Cariboo Observer, June 10, 1922.
45. Ibid., March 11, 1922.
46. Ibid., January 31, 1925.
47. Data on production, sales, markets, etc. of the creamery are taken from the annual reports of the creamery association as published in the Cariboo Observer, as well as several news items. See Cariboo Observer September 24 and December 17, 1921; March 11 and November 25, 1922; February 10, April 28 and June 9, 1923; March 1, May 17 and November 22, 1924; January 31 and June 27, 1925; January 30, 1926; February 1, 1930; February 14, 1931; March 5 and May 14, 1932; June 24 and August 23, 1933.
48. Cariboo Observer, March 17 and October 13, 1923.
49. Ibid., January 12, 1928, February 4, 1922, and February 3, 1923.
50. Ibid., June 18, 1921, March 3, 1923, and April 28, 1923.
51. Ibid., January 31, 1925.
52. Ibid., March 14, 1925.
53. Ibid., October 1, 1927.
54. Ibid., January 23, 1937.

( ) 55. Ibid., June 24, 1933.

56. Ibid., October 24, 1925.

57. Ibid., June 24, 1933.

## CHAPTER VII : CONCLUSIONS

British Columbia during the early 20th century was a classic case of a staples-producing region. The province's economy was based on fish, timber and minerals, and the well-being of its people fluctuated in accordance with the rate at which resources were handed over to investors and the rate at which they could be exported. This kind of development was promoted by a class of regional entrepreneurs which harnessed Canadian, British and American finance capital to exploit the resources which were in demand at the time.

Expansion of the railway network was an integral part of this kind of development process. British Columbia had become a satellite of the Eastern Canadian heartland after its political integration in 1871 and the extension of the C.P.R. to the west coast in the 1880's. The immediate result of this political and economic integration was a surge of growth based on staples, in the course of which British Columbia spawned its own capitalist class with regional interests (as reflected by the ongoing feuds between the federal government and the B.C. government). But the British Columbia 'establishment' was never able to completely escape the dominance of Eastern Canadian and other outside interests--its reliance on outside capital and the provincial government's subordinate position relative to the federal government created a political and economic environment of which reckless resource giveaways and buccaneer capitalism were a logical consequence.

The regional interests of the Victoria and Vancouver business establishment were expressed by more than anti-Ottawa sentiments. Just as Eastern Canadian financial interests had used the C.P.R. as a tool in their empire-

building strategy, the P.G.E. Railway was supported by Victoria politicians and Vancouver commercial interests as a means of drawing the central interior and northern parts of the province into their orbit.<sup>1</sup> Not only were the wheat-lands of the Peace River district and the forest products and minerals of the central interior to be exploited more rapidly, but Vancouver rather than Edmonton was to be the entrepot which gathered raw materials for export and distributed finished goods to the hinterland. But although the P.G.E. project was launched with a great deal of fanfare and optimism, the original contractors and the provincial government were incapable of completing the line. From the viewpoint of its promoters and British financiers the P.G.E. was a success because they received their profits and interest; to the McBride government it was a political liability which contributed to the Conservatives' electoral defeat; to later governments it was an expensive burden, and to the people who lived along the railway it was a line from nowhere to nowhere.

Settlement in the North Cariboo after 1908 took place partly in anticipation of the staples-extraction that the P.G.E. was expected to provoke, and partly because it was thought that the region's agricultural lands could be developed to supply farm produce to urban markets. As events turned out, neither of these expectations were fulfilled. The North Cariboo became an unproductive part of an economy based on staples-production--its natural resources were not exploited to a significant extent because other parts of the province, where transport costs were lower, were more attractive to investors. Rather than a resource hinterland, the North Cariboo was a backwater where a small population clung tenaciously to a limited range of economic opportunities, hoping against the odds that the railway would be completed, or that some form of investment from outside would bring new life

( ) to a stagnant local economy.

During the North Cariboo's railway boom, which lasted until 1921, a class of local merchants became the dominant group in the region's population. They did not cause the boom; on the contrary, the boom was a manifestation of a particular phase in the economic and political development of British Columbia, and the merchants merely responded to it by relocating at Quesnel. Because they were completely dominated by, and dependent upon, the metropolitan ruling class their ability to influence in a fundamental way the course of the region's development was minimal.

The metropolitan ruling class was, strictly speaking, not an identifiable single entity, although at times it may have appeared as such to those looking outward from the region. On the political level, the provincial government was by far the most influential force that the merchants had to deal with, partly because it had sponsored the P.G.E. and partly because it controlled natural resources, land policies, roads and most other public works, most social services, mining laws and agricultural policy. The whole was enmeshed in a pervasive patronage system which extended from Victoria down to the local level to elicit 'correct' political behaviour in return for government expenditures.

The fact that the provincial government's powers were so widespread took on an added significance in the North Cariboo as compared to staples-producing regions because provincial government expenditures represented the source of a major portion of the effective demand in the local market. This kind of dependence, coupled with the region's inability to affect the evolution of government policies, caused the merchants and other groups to devote a great deal of attention to discovering new ways to make use of established structures and systems.

( ) Economic aspects of the 'imperial linkage' were more complex. The merchants, in their role as mediators in the process of exchange, had the most immediate relations with the metropolitan ruling class, while other groups were mainly involved in production and exchange relations with the merchants. The merchants purchased groceries and manufactured goods from wholesalers--in the early years from Edmonton, and later from Vancouver--at prices determined by factors beyond the control of the Quesnel merchants. Freight charges represented payments for a necessary service--most of these payments also went to metropolitan firms such as the P.G.E. and the British Columbia Express Company, except on rare occasions when local merchants invested in their own means of transportation. As this thesis has demonstrated, transport costs for imported goods were usually not susceptible to manipulation either. There were, of course, other exchange relations between local merchants and national and provincial corporations and institutions--such as the federal post office and telegraph system, insurance companies and banks--as well as tax payments, all of which represented an outflow of funds. However, commodity purchases and transport charges far outweighed all other costs combined.

In short, the costs incurred by entering into necessary exchange relations with elements of the metropolitan ruling class were relatively inflexible. This economic domination, combined with a lack of political power on the provincial level, caused the merchants' energies to be directed mainly toward establishing and exercising their dominance at the local level. There are two dimensions to this dominance. In purely structural terms, as expressed in the day to day business practices of each individual merchant, their tendency to maximize unequal exchange allowed them to survive while depressing the farmers' incomes and lowering their



standard of living, undermining their ability to capitalize their farming operations, and perpetuating their reliance on subsistence activities and seasonal wage-income. On the level of overt actions, which took place mainly in the political/institutional realm, the merchants organized and used a variety of mechanisms to pursue particular objectives. As this thesis has attempted to demonstrate, the strategies of merchant-founded local organizations consistently reflected the merchants' requirements, even though these strategies sometimes produced benefits for other groups as well.

Throughout the study period, the merchants jealously guarded their pivotal economic and political role as mediators between the metropolitan ruling class and the local population. The farmers' search for external markets for farm produce, their attempts to purchase inputs such as seed grain on a co-operative basis, and the intrusions of peddlers and mail-order houses selling directly to consumers all represented a threat to the merchants because they involved actual or potential exchange relations which made the merchants irrelevant. But in some cases, such as the farmers' efforts to find external markets, the merchants faced a dilemma stemming from the nature of their exchange relations with the farmers. The merchants bought produce from the farmer, while at the same time they sold other goods to them. In each case, they tried to maximize unequal exchange by driving down the prices of farm produce and maximizing the prices of retail goods, but the lower the price of farm produce the less the farmers' effective demand for goods sold by the merchants. In a sense, then, it was in the merchants' interests to aid the farmers in their efforts to earn extra income by exporting produce, but at the same time this possibility undermined the scope of the merchants' activities by partially eliminating

their role as distributors of farm produce. This objective contradiction was reflected in the merchants' somewhat schizophrenic policies toward agricultural exports.

The dominance of the merchant class had an ideological dimension as well. The Cariboo Observer's undisguised propaganda and the public statements of various organs like the Board of Trade played down conflicts and assured the public that the community's interests and the merchants' interests were identical in the long run.<sup>2</sup> Other themes, like loyalty to the community, the importance of hard work and honesty, the government's failure to understand local problems, the inevitability of Quesnel's progress once its plentiful resources were made known to the outside world, and the belief that individual failure was due to lack of character, all appear to have been based on the assumption that the condition of the world was primarily a result of the collective state of mind.<sup>3</sup> The significance of this assumption is that (if people accepted it) it implied that leadership positions should be held by those who had a 'positive' and 'progressive' outlook--the merchants, of course. There is no way of determining the effects of this propaganda, but it can be said that it was one of many factors which reinforced the merchants' dominance by defusing potential open conflicts.

In more general terms, this case study also has implications for the way students of development and economic history might view Canadian hinterlands, and more particularly for the way research questions should be formulated, because such questions are usually an outgrowth of one's theoretical perspective as well as one's image of the object being studied.

There are several kinds of approaches to the conceptualization of social relations in Canadian hinterland settlements and regions. One

approach is evident in many economic studies, where populations are viewed as undifferentiated aggregations or individuals functioning in a harmonious environment--in other words, this approach does not consider structurally-determined sources of conflict or inequality. The inadequacy of this view concerned I. Mellor and R.G. Ironside in a recent evaluation of the Lesser Slave Lake Special Area Programme:

Both regional development theory and policy have been concerned with questions relating to inter-regional equality. By contrast scant attention has been given to intra-regional equity. In particular there have been few attempts to investigate the distributional impact of regional development programmes through the multiplier process, with respect to the incidence of benefits either spatially or to groups of people within disadvantaged regions. To determine who benefits where, when, and to what extent relative to other groups is important in measuring the effectiveness of any regional development programme.<sup>4</sup>

Another view which fails to incorporate an adequate appreciation of the importance of social structures is found in sociological studies such as Ralph Matthews' There's No Better Place Than Here: Social Change in Three Newfoundland Communities, J.S. Matthiasson's study of resident perceptions of the quality of life in resource towns and Rex Lucas' classic work Minetown, Milltown, Railtown: Life in Canadian Communities of Single Enterprise, to name only three.<sup>5</sup> Like many other sociologists, these writers are primarily concerned with individuals' perceptions of, and attitudes toward, their socio-economic environment. Whenever material inequalities and conflicting interests are identified, they are usually explained on the level of appearances rather than in terms of underlying structures and relationships.

This thesis has attempted to demonstrate the usefulness of an emphasis on social structures and class relationships in explaining the impact of a boom and bust in the North Cariboo. The impact was seen to be differential

because the region's population was not a 'community' but a set of interrelated classes and groups with different objective interests. As the external requirements of the metropole changed, so did the manner in which the North Cariboo was integrated into the larger system--the changing form of the imperial linkage in turn provoked economic and political reorganization within the hinterland. This constant reorganization caused more than quantitative changes in living standards or incomes--its effect on individuals was determined primarily by their objective economic and political roles.

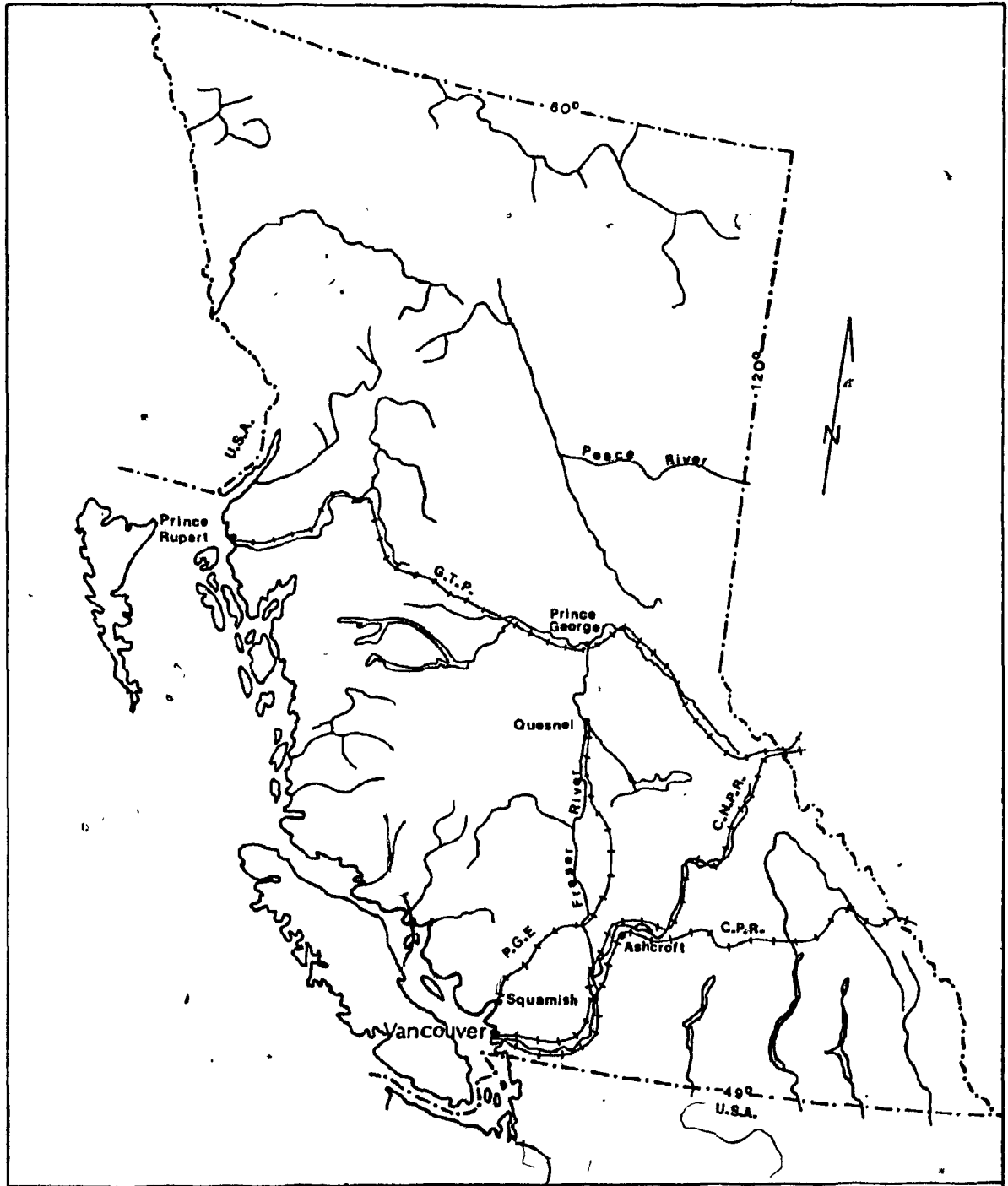
Industrial capital, merchant capital, finance capital, wage-workers and independent commodity producers are basic elements which can combine in a number of ways to form different kinds of social formations in Canadian hinterlands. For example, the combination of industrial capital and wage-workers appears in the typical company town, where merchant capital is weak and poorly developed because it is dominated by industrial capital and extremely limited in scope. The prairie wheat economy early in the 20th century was based on independent commodity producers who sold their product to large national firms and were in many cases dependent on finance capital, which siphoned off part of the surplus in the form of interest. Here the relationship between farmer and local merchant was simply one of consumer versus retailer, and it is not at all clear which class was dominant. The North Cariboo represents yet another type of social structure, in which independent commodity producers (of a different type than those on the prairies) relied on local merchants to buy produce as well as supply consumer goods. This arrangement was the foundation upon which the merchants' dominance was based, enabling them to become relatively far more powerful than their compatriots in company towns or prairie agricultural

settlements. —

An appreciation of the role of social structures and class relationships in Canadian hinterland regions could lead to a fuller understanding of many of their well-known characteristics. Boosterism, for example, is alive and well in small towns across the country. Rather than a simple-minded faith in the virtues of 'progress' and bigness, it is a reflection of merchant-business elites' need for ever-increasing opportunities for exchange--this contention is borne out by the fact that the leaders of growth-promotion campaigns of all kinds are usually led by members of these elites. If social scientists accept the argument that hinterlands are not 'communities', they will have taken a necessary step toward eliminating the disturbing similarity between their own explanations of reality and the half-truths propagated by the typical small-town Chamber of Commerce.

## FOOTNOTES--CHAPTER VII

1. For example, "in March of 1911 the Vancouver Board of Trade drew to the attention of the provincial government the need for a railway to serve the Peace and thus channel the farm products of that area away from Edmonton, bringing them down to Vancouver." (Bruce Ramsey, PGE: Railway to the North, Vancouver, 1962, p. 38).
2. "Your local merchant is first a citizen, a resident of your community the same as you are....Were it not for your local merchant, there would be no schools, no public buildings, no progress or prosperity. He is here day in and day out, rain or shine, giving his time, energy and money to whatever will benefit the district...." (Cariboo Observer, June 12, 1926).
3. Referring to the possibility of a business depression in 1914, the Cariboo Observer's editor proclaimed that "After all, whether or not there is a crisis depends a great deal upon how people think about it. If we all become lugubrious, and talk of hard times, we will be pretty sure to get them. On the other hand, cheerfulness begets optimism, optimism begets confidence, confidence begets credit, and credit begets good times." (Cariboo Observer, January 3, 1914).
4. I. Mellor and R.G. Ironside, "The Incidence Multiplier Impact of a Regional Development Programme", pp. 225-6, in The Canadian Geographer, XXII:3, 1978, pp. 225-251.
5. Ralph Matthews, There's No Better Place Than Here: Social Change in Three Newfoundland Communities (Toronto, 1976); J.S. Matthiasson, Resident Perceptions of Quality of Life in Resource Frontier Communities (Center for Settlement Studies, University of Manitoba, 1970); Rex A. Lucas, Minetown, Milltown, Railtown: Life in Canadian Communities of Single Enterprise (Toronto and Buffalo, 1971).



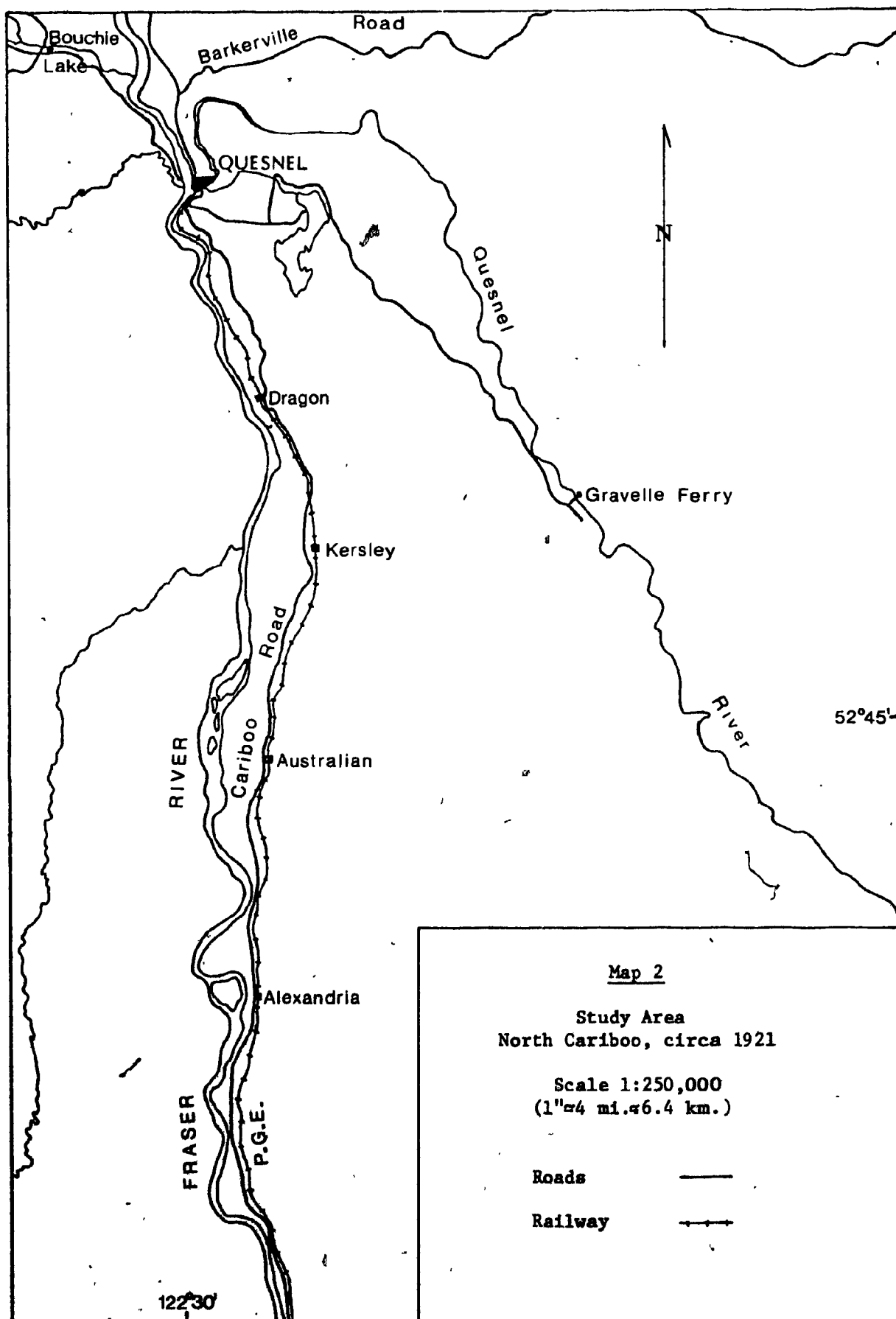
Map 1

British Columbia, circa 1921

Scale 1"=100 mi.=160 km.

Major Railways







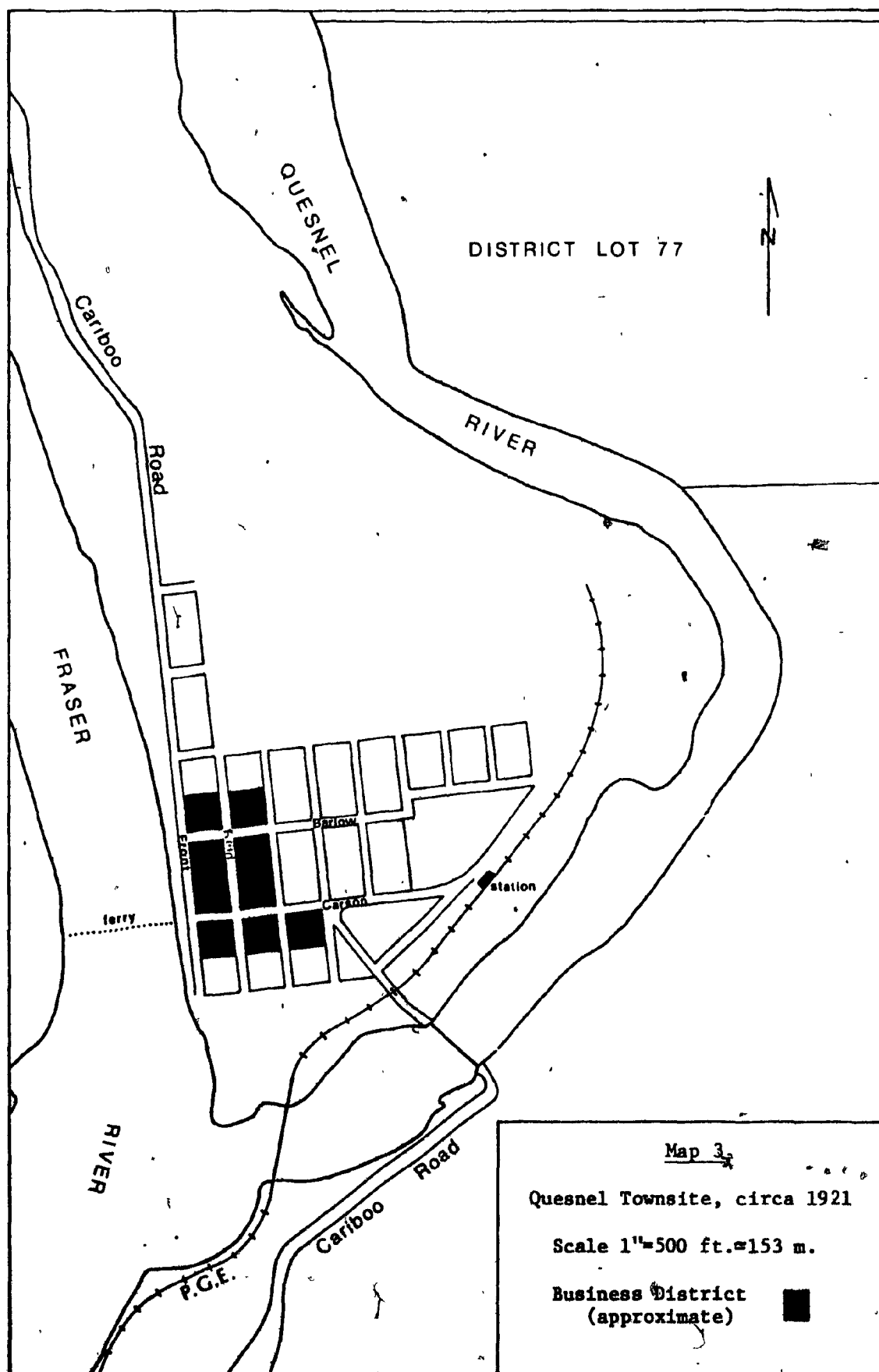


FIGURE 1

AGGREGATE VALUE OF CAPITAL AND NUMBER OF PERSONS EMPLOYED IN PRIMARY  
FISHING OPERATIONS, BRITISH COLUMBIA, 1878 TO 1935

Year	Capital (\$ 000's)	Employment	Year	Capital (\$ 000's)	Employment
1878	90.6	2,804	1908	2,271.3	12,834
1879	75.1	2,121	1909	2,344.6	11,768
1880	78.0	1,883	1910	2,742.6	10,811
1881	120.0	2,893	1911	2,727.2	8,583
1882	229.7	2,787	1912	3,091.8	8,608
1883	253.2	-	1913	3,518.7	8,747
1884	246.3	3,281	1914	3,991.0	11,318
1885	234.3	2,820	1915	3,382.7	11,232
1886	329.9	6,211	1916	3,716.9	11,310
1887	362.5	6,154	1917 <sup>a</sup>	4,590.9	11,557
1888	417.1	5,940 <sup>b</sup>	1917	6,287.1	12,967
1889	572.7	7,786	1918	7,170.3	11,239
1890	753.3	8,223	1919	7,034.6	12,865
1891	858.5	8,666	1920	8,864.9	11,669
1892	987.4	8,170	1921	7,208.8	10,623
1893	970.3	13,932	1922	6,646.4	9,495
1894	1,020.5	12,650	1923	5,648.7	8,734
1895	1,057.4	14,485	1924	5,490.4	9,274
1896	1,363.6	15,925	1925	6,746.2	9,944
1897	1,116.7	20,936	1926	9,523.3	12,162
1898	1,288.2	22,114	1927	12,176.8	13,076
1899	1,215.3	20,246	1928	11,889.0	11,818
1900	1,440.6	21,294	1929	13,275.7	12,675
1901	1,683.6	20,354	1930	13,213.7	12,000
1902	1,678.2	18,563	1931	7,674.2	9,495
1903	1,768.6	19,137	1932	7,514.7	10,116
1904	1,438.4	15,236	1933	8,863.3	11,066
1905	2,059.6	18,220	1934	9,548.1	11,700
1906	2,431.9	15,535	1935	9,426.9	10,965
1907 <sup>a</sup>	-	-			

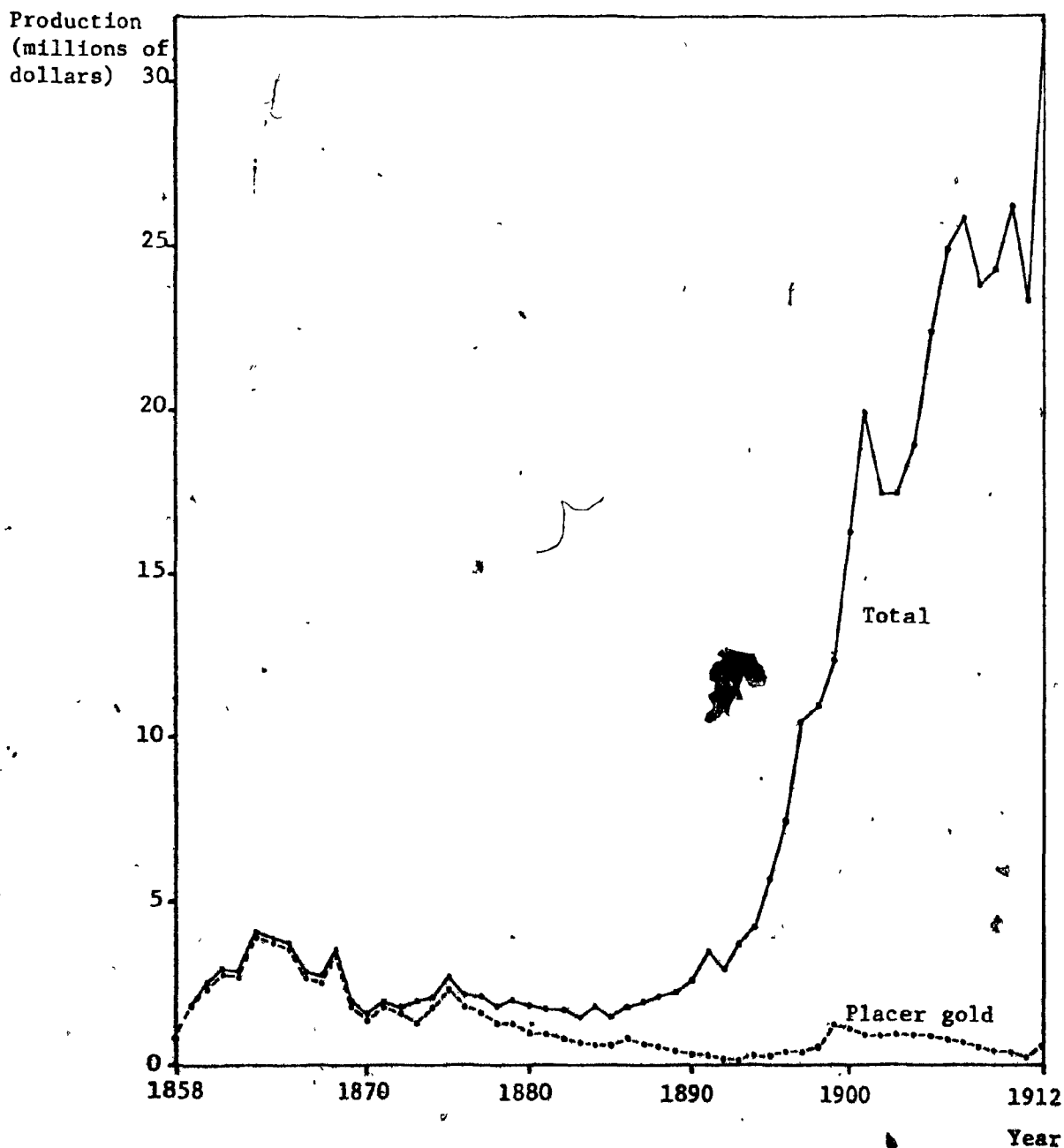
a. For 1878 to 1906 and for 1917 to 1935 figures refer to calendar years; for 1908 to 1917 figures refer to fiscal years ending March 31 of the year given.

b. For 1888 to 1910 a number of cannery employees are included.

Source: M.C. Urquhart and K.A.H. Buckley, eds., Historical Statistics of Canada (Toronto, 1965), pp.396-7.

FIGURE 2

## VALUE OF PLACER GOLD PRODUCTION AND TOTAL MINERAL PRODUCTION IN BRITISH COLUMBIA, 1858-1912



Source: British Columbia Minister of Mines, Annual Report, 1913, in British Columbia Sessional Papers, 1913, Table X and table following p. K14.

FIGURE 3

TIMBER PRODUCTION IN BRITISH COLUMBIA, 1859-1916<sup>a</sup>

<u>Year</u>	<u>Production</u>	<u>Year</u>	<u>Production</u>
1859	1,750 <sup>b</sup>	1900	318,531
-----		1901	284,182
1869	25,000 <sup>b</sup>	1902	325,874
-----		1903	347,835
1879	50,000 <sup>b</sup>	1904	361,227
-----		1905	533,157
1888	56,306	1906	587,458
1889	67,612	1907	652,884
1890	94,861	1908	628,089
1891	120,612	1909	692,703
1892	84,250	1910	872,217
1893	176,676	1911	1,171,095
1894	78,974	1912	1,247,810
1895	122,927	1913	1,610,772
1896	126,660	1914	1,049,629
1897	121,226	1915	1,171,376
1898	162,801	1916	1,218,532
1899	252,580		

a. Figures exclude exported logs, and include lumber, lath, shingles, shingle bolts, piles, poles and railway ties.

b. Estimates made by Thomas R. Cox.

Source: Thomas R. Cox, Mills and Markets: A History of the Pacific Coast Lumber Industry to 1900 (Seattle and London, 1974), Appendix 2, p.301; H.N. Whitford and R.D. Craig, Forests of British Columbia (Commission of Conservation, Committee on Forests, Ottawa, 1918), pp.175-6.

FIGURE 4

BRITISH COLUMBIA GOVERNMENT BUDGET SURPLUSES AND DEFICITS  
1903-1929

Note: 1908-1909 fiscal year contains nine months only.

Source: Author's calculations, based on Public Accounts of British Columbia

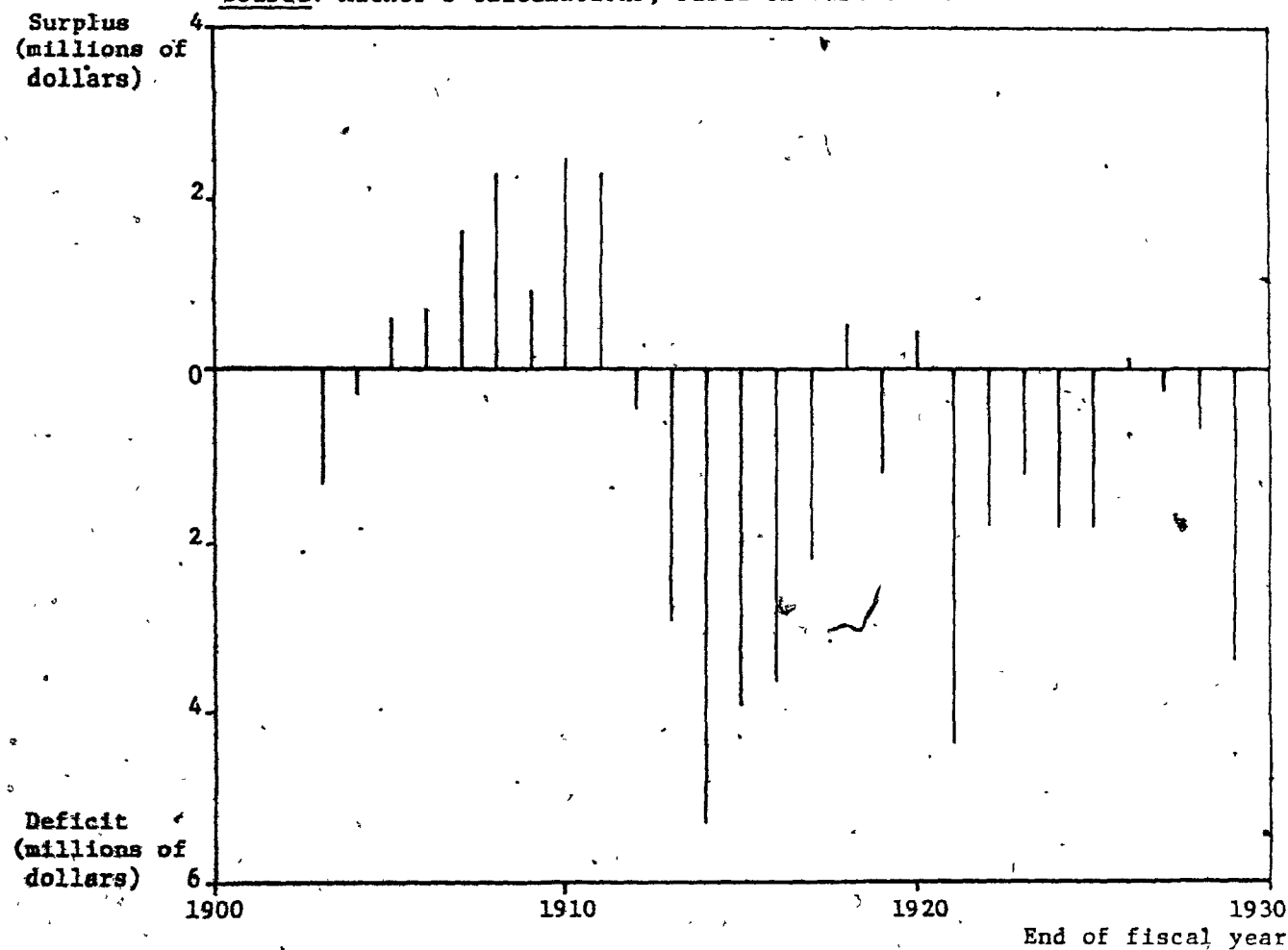


FIGURE 5

FOREST REVENUES OF THE GOVERNMENT OF BRITISH COLUMBIA  
1903-1929<sup>a</sup>

Fiscal Year Ending	Forest Revenues (\$ thousands)	Total Revenues (\$ thousands)	Forest Revenues as % of Total
1903	298	2,045	14.6
1904	406	2,638	15.4
1905	487	2,920	16.7
1906	610	3,044	20.0
1907	1,251	4,445	28.1
1908	2,232	5,979	37.3
1909 <sup>b</sup>	1,907 <sup>b</sup>	4,665 <sup>b</sup>	40.9 <sup>b</sup>
1910	2,320	8,875	26.1
1911	2,465	10,493	23.5
1912	2,383	10,746	22.2
1913	2,542	12,510	20.3
1914	2,559	10,479	24.4
1915	1,836	7,975	23.0
1916	1,676	6,292	26.6
1917	1,921	6,907	27.8
1918	2,008	8,883	22.6
1919	2,524	10,931	23.1
1920	2,391	13,862	17.2
1921	3,280	15,219	21.6
1922	2,829	18,882	15.0
1923	3,231	19,619	16.5
1924	3,431	19,621	17.5
1925	3,470	19,382	17.9
1926	3,573	21,776	16.4
1927	3,547	20,528	17.3
1928	3,573	21,136	16.9
1929	3,555	21,182	16.8

a. Includes Timber Leases, Sales, Royalties and Licences. Figures rounded to nearest thousand.

b. Fiscal year contains nine months only.

Source: Public Accounts of British Columbia.

FIGURE 6

ESTIMATES OF CHANGES IN THE POPULATION AGED 10 YEARS AND OVER OF  
BRITISH COLUMBIA, THE PRAIRIE PROVINCES, AND CANADA THROUGH NATURAL  
INCREASE AND MIGRATION, BY DECADES, 1881-1941 (thousands)

Decade	Population & Changes	B.C.	Alta.	Sask.	Man.	Canada
1881	Population	38	--	--	44	3,164
1881-91	Nat. Incr.	5	--	--	13	669
	Net Migr.	37	--	--	52	-205
1891	Population	80	--	--	109	3,628
1891-1901	Nat. Incr.	8	--	--	30	654
	Net Migr.	58	--*	--*	48	-181
1901	Population	146	52	65	187	4,101
1901-11	Nat. Incr.	16	15	18	48	711
	Net Migr.	164	218	283	111	715
1911	Population	326	285	366	346	5,528
1911-21	Nat. Incr.	36	64	93	82	1,036
	Net Migr.	58	85	78	24	113
1921	Population	420	434	537	452	6,677
1921-31	Nat. Incr.	62	116	173	116	1,389
	Net Migr.	101	22	-5	-10	103
1931	Population	583	572	705	558	8,169
1931-41	Nat. Incr.	48	109	156	89	1,352
	Net Migr.	72	-35	-138	-41	-112
1941	Population	703	646	723	606	9,409

\*No data before 1901

Source: M.C. Urquhart and K.A.H. Byckley, eds., Historical Statistics of Canada (Toronto, 1965), p.22.

FIGURE 7POPULATION OF THE QUESNEL AREA, VARIOUS YEARS, 1883-1932

1883	50
1887	40
1892	60
1898	55
1902	80
<hr/>	
1908	200
1913	300
1918	500
<hr/>	
1922	500
1924	500
1926	500
1928	550
1930	600
1932	600

Source: Author's estimates, based on scattered sources.



Number of 80  
Businesses

FIGURE 8

NUMBER OF BUSINESSES IN QUESNEL AREA, INCLUDING RETAILERS, SERVICES,  
BANKS AND MERCHANT-OWNED INDUSTRIES, 1883, 1897 AND 1908-1933

Source: Author's estimates, based on scattered sources.

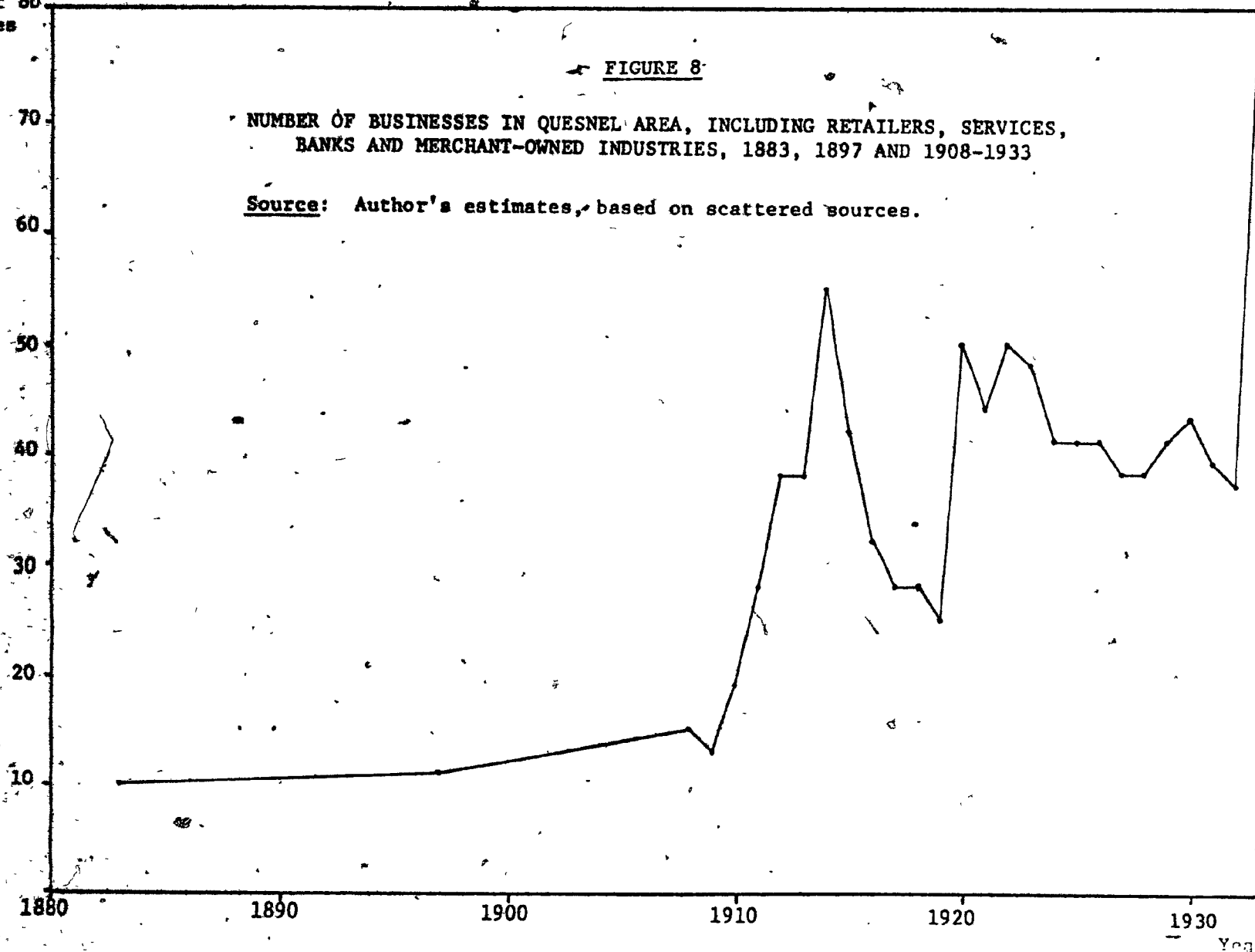


FIGURE 9

COMPOSITION OF THE QUESNEL ELITE, 1912 & 1916<sup>a</sup>

Name	Principal Occupations (if known) <sup>b</sup>	Political Affiliation (if known) <sup>b</sup>	Positions Held <sup>c</sup>		Comments
			1912	1916	
C.H. Allison	Merchant, pharmacist & postmaster	?	BT	BT	
E.J. Avison	Lawyer	Conservative	BT CCCA	QCA CCCA	
J.F. Brady <sup>d</sup>	?	Conservative	QCA	QCA BT	
A.W. Cameron	Bank Manager	?	BT	BT	
R.A. Chester	Bank Manager	?		BT	
J.G. Cowan	Merchant	Conservative		QCA BT	
S. Dowling	Merchant & Tailor	Liberal		QLA	
O.A. Early	Farmer	Conservative		QCA	
W.T. Ewing	Merchant	Liberal	BT	QLA	
C.S. Foot	?	Conservative	QCA CCCA		
J.A. Fraser	Merchant	Conservative	BT	BT	M.L.A. 1909-1916
R.W. Haggen	Surveyor	?		BT	
S.L. Hilborn	?	Conservative	QCA CCCA BT	QCA	
J.L. Hill	Federal Fisheries Overseer	Conservative	QCA CCCA		
John Holt	Farmer	Liberal		QLA	
J.G. Hutchcroft	Editor of Cariboo Observer	Conservative	QCA	BT	
E.L. Kepner	Hotel & Land Owner	Conservative	BT	BT	
C. Leonard	Farmer	Liberal		QLA	
D.R. McLean	Minister	?		BT	
T. Marión	Merchant	Liberal		QLA	
T. Norwood	Contractor	Liberal		QLA	
William Stott	Minister	Liberal	BT		
A.S. Vaughan	Real Estate Agent	Conservative	QCA CCCA	QCA BT	
L.J. Willis	Accountant	Conservative	QCA BT		
J.M. Yorston	Farmer	Liberal	BT		M.L.A. 1916-1923

a. These two years chosen because relatively complete data available.

b. Author's judgement, based on Cariboo Observer news reports, etc.

c. BT indicates member of Executive Committee of Quesnel Board of Trade.

QCA indicates member of Executive Committee of Quesnel Conservative Assoc.

QLA indicates member of Executive Committee of Quesnel Liberal Association.

CCCA indicates member of Executive Committee of Cariboo Central Cons. Assoc.

Source: Cariboo Observer news items.

FIGURE 10

BRITISH COLUMBIA DEPARTMENT OF PUBLIC WORKS EXPENDITURES IN QUESNEL  
1915-1916 FISCAL YEAR

<u>Suppliers</u>	<u>Political Affiliation, if known</u>	<u>Amount (\$)</u>
John A. Fraser & Co. Ltd.	Conservative	1034.45
Mrs. Stabler	Unknown	855.00
Johnston Brothers Livery Stable	Conservative	635.38
Cowan Supply Co., Hardware	Conservative	260.70
L. Bauer	Unknown	254.45
J.W. Howison Hardware	Conservative	168.65
James Reid Estate	Conservative	167.64
Hudson's Bay Co.	Unknown	24.00
J. Strand, hotel and butcher	Unknown	<u>6.00</u>
		Total 3406.27

Source: Letter from Deputy Minister, British Columbia Department of Public Works, to unnamed Quesnel resident, as reproduced by the Cariboo Observer, May 27, 1916.

FIGURE 11

OCCUPATIONS OF HEADS OF HOUSEHOLDS IN THE QUESNEL AREA,  
SELECTED YEARS, 1883-1926<sup>a</sup>

<u>Occupation</u>	<u>1883</u>	<u>1898</u>	<u>1918</u>	<u>1926</u>
Merchants <sup>b</sup>	10	11	28	41
Farmers	15	16	87 <sup>e</sup>	87
Wage-workers <sup>c</sup>	12	10	43 <sup>e</sup>	43
Others <sup>d</sup>	0	2	7 <sup>e</sup>	7
	—	—	—	—
Total	37	39	165	178
	—	—	—	—

- a. Approximate figures only, based on directory and newspaper sources. Allowance has been made to exclude individuals listed in directories but not residing in the study area.
- b. Includes all individuals selling goods or services as a primary occupation.
- c. Includes all wage-workers employed by merchants, government, contractors, etc.
- d. Includes lawyers, dentists, doctors, ministers of religion and retired people.
- e. Directory data for 1918 are apparently incomplete, because total population was the same as in 1926 but the 1926 directory listed many more heads of households. Therefore 1918 figures have been estimated on the basis of more accurate 1926 figures.

Sources: Various directories and items in the Cariboo Observer. For detailed references, see bibliography.

FIGURE 12

ROAD-WORK EXPENDITURES IN CARIBOO, 1903-1928<sup>a</sup>

Fiscal Year Ending	Road-Work Expenditures (\$)	Cariboo Expenditures as % of Total B.C. Expenditures	Cariboo M.L.A. Govt. Member (Yes/No)
1903	14,400	2.8	No
1904	11,456	2.8	No
1905	10,001	3.4	No
1906	10,015	2.7	No
1907	10,434	1.8	No
1908	15,998	1.8	No
1909 <sup>b</sup>	25,632 <sup>b</sup>	2.3 <sup>b</sup>	No
1910	52,997	2.6	Yes
1911	137,492	4.5	Yes
1912	163,362	4.2	Yes
1913	232,791	4.9	Yes
1914	267,803	5.0	Yes
1915	145,308	6.2	Yes
1916	122,823	6.0	Yes
1917	122,580	6.3	Yes
1918	90,565	7.0	Yes
1919	67,300	4.6	Yes
1920	92,100	5.4	Yes
1921	96,800	4.3	Yes
1922	93,800	4.7	Yes
1923	102,300	4.7	Yes
1924	123,700	5.7	No
1925	98,300	4.0	No
1926	89,800	3.9	No
1927	95,000	4.2	No
1928	102,400	4.1	Yes

a. Includes expenditures on roads, streets, bridges and wharves.

b. Fiscal year contains nine months only.

Source: Public Accounts of British Columbia.

FIGURE 13

PRODUCTION, MEMBERSHIP AND VALUE OF CREAM PURCHASED BY  
QUESNEL CO-OPERATIVE CREAMERY, 1921 TO 1933

Year	Butter Production (pounds)	Membership of Co-operative	Value of Cream Purchased (\$)
1921	21,500 <sup>a</sup>	26 <sup>b</sup>	5,449 <sup>c</sup>
1922	32,261	66	10,444
1923	35,000	61	9,212
1924	45,000 <sup>d</sup>	67	12,000 <sup>d</sup>
1925	46,082	69	-
1926	-	-	-
1927	-	-	-
1928	-	-	15,700 <sup>d</sup>
1929	55,331	-	16,788
1930	-	-	-
1931	-	-	-
1932	-	-	-
1933	30,000	-	-

a. Data for June 8 to December 31 only.

b. Membership as of September 24, 1921.

c. Data for June 8 to August 31 and November 1 to November 30 only.

d. Approximate figures.

Source: Cariboo Observer's reports on Creamery Association annual meetings,  
plus other news items.

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